

SEASONAL REGULARITIES OR IRREGULARITIES OF  
WHEAT PRICE MOVEMENT IN ELECTION YEARS

by

GALEN STEPHEN QUANTIC

B. S., Kansas State College of Agriculture  
and Applied Science, 1930

---

A THESIS

submitted in partial fulfillment of the

requirements for the degree of

MASTER OF SCIENCE

KANSAS STATE COLLEGE OF AGRICULTURE  
AND APPLIED SCIENCE

1933

Docu-  
ment  
LD  
2668  
T4  
1933  
Q31  
C.2

11

## TABLE OF CONTENTS

	Page
INTRODUCTION .....	2
REVIEW OF LITERATURE .....	3
PURPOSE OF STUDY .....	10
DEFINITIONS .....	12
METHOD OF PROCEDURE .....	13
Comparison of the July Price with the Current Sep- tember-October Price of Wheat in Election and Non-election Years .....	16
Comparison of the July Price with the Current Sep- tember October Price of Wheat in Election and Non-election Years since 1888 .....	22
The Relationship of Election Years to Advancing and Declining Periods in Wheat Prices .....	29
A Comparison of July-August-September with October- November-December Peak Wheat Price when Price was on the Uptrend in Election and Non- election years .....	31
A Comparison of July-August-September with October- November-December Peak Wheat Price when Price was on the Downtrend in Election and Non- election Years .....	33
The Relation of the September Price to the July Price and of the December Price to the Septem- ber Price in Election and Non-election Years ..	35
Comparison of the Peak Price During the Latter Six Months of the Year in Election and Non- election Years.....	46



	Page
Comparison of the Bottom Price During the Latter Six Months of the Year in Election and Non-election Years .....	59
Study of May Futures During November by Five Day Periods in Election and Non-election Years ...	62
The Ten Year Wheat Price Cycle .....	74
Relationship Between Time of the Peak Price in the Last Six Months of the Year in Peak Cycle, Election and Mid-election Years .....	75
Comparison of Wheat Prices by Months in Per Cent of Yearly Average in Election and Non-election Years .....	80
Comparison of Wheat Prices by Months for Pre-peak, Peak, Post-peak and Mid-cycle Years of the Ten Year Cycle in Per Cent of Mid-cycle Averages .....	81
Comparison of Wheat Prices in Peak and Election Years .....	83
SUMMARY .....	90
The July Price Compared with the September-October Price in Election and Non-election Years .....	90
The Relation of Election Years to Advancing and Declining Periods in Price .....	91
A Comparison of July to September with October to December Peak Wheat Price When Price was in Uptrend in Election and Non-election years ...	92
A Comparison of July to September with October to December Peak Wheat Price When Price was in the Downtrend in Election and Non-election Years .....	92

	Page
Relationship of the September Price to the July Price and of the December Price to the September Price in Election and Non-election Years .....	93
Relationship Between World and United States Production and United States Prices .....	94
Comparison of the Peak and Bottom Price During the Latter Six Months of Year in Election and Non-election Years .....	94
Study of May Futures During November by Five Day Periods in Election and Non-election Years .....	95
THE TEN YEAR CYCLE .....	96
Relationship Between the Time of the Peak Price in the Last Six Months of the Year in Peak, Cycle, Election and Mid-election Years .....	96
Comparison of Wheat Prices by Months in Per Cent of Yearly Average in Election and Non-election Years .....	97
Comparison of Wheat Prices by Months for Pre-peak, Peak, Post-peak and Mid-cycle Years in Per Cent of Mid-cycle Averages .....	98
CONCLUSIONS .....	99
ACKNOWLEDGMENT .....	100
APPENDIX I. ....	102
APPENDIX II. ....	114
APPENDIX III. ....	126
APPENDIX IV. ....	127
APPENDIX V. ....	129

## FIGURES

	Page
1. Relationship Between World Wheat production and United States Prices .....	38
2. Relationship Between United States Wheat Production and United States Prices .....	41
3. Relationship Between the Last Six Months of the Year Before, Year of, and Year following Elections. Average High and Low Chicago Prices ....	48
4. May Future Prices in November by Five Day Periods in Election and Non-election Years .....	63
5. Graphical Representation of the Average Wheat Price by Months for Year Before, Peak Year, Year Following and Mid-year in Per Cent of Mid-Year Average .....	82
6. A Graphical Representation of Wheat Prices in Peak and Election Years .....	84

## TABLES

### Table

I. A Comparison of the July Price with the Current September-October Price of Wheat in Election and Non-election Years. (Chicago Prices) .....	16
II. A Comparison of July Price one Year Previous with September-October Price of Wheat in Election and Non-election Years. (Chicago Prices) .....	18

III.	A Comparison of July Price One Year Later with September-October price of Wheat in Election and Non-Election Years .....	19
IV.	A Comparison of July Price in Mid-election with September-October Price of Wheat in Election and Non-election Years .....	21
V.	A Comparison of the September-October Price in Election Years with September-October Price Year Previous and year following.....	22
VI.	A Comparison of the July Price With the Current September and October Price of Wheat in Election and Non-election Years Since 1888.....	24
VII.	A Comparison of the July Price One Year Previous with the September -October Price of Wheat in Election and Non-election Years since 1888 .....	25
VIII.	A Comparison of the July Price One Year Later with the September-October Price of Wheat in Election and Non-election Years Since 1888. ....	26
IX.	A Comparison of the July Price in Mid-election Years with the Current September-October Price of Wheat in Election and Non-election Years Since 1888 .....	27
X.	A Comparison of the September-October Price in Election and Non-election Years with the Current September-October Price of Wheat in Election Years .....	28
XI.	Movement of Wheat Prices Up or Down in Number of Months Before and After Election. Wheat Prices Chicago .....	30

XII.	A Comparison of July-August-September with October-November-December Peak Wheat Prices When Price was in Uptrend in Election and Non-election Years .....	32
XIII.	A Comparison of July-August-September with October-November-December Peak Wheat Prices When Price was in Downtrend in Election and Non-election Years .....	34
XIV.	Comparison of September Price with July Price of Wheat in Pre-election, Election, Post and Mid-election Years .....	36
XV.	Comparison of December Price with September Price of Wheat in Pre, Election, Post and Mid-years .....	37
XVI.	Comparison of Peak Price During Latter Six Months of Year in Pre-election, Election, Post-election and Mid-election Years.....	47
XVII.	Comparison of Bottom Price During Latter Six Months of Year in Pre-election, Election, Post-election and Mid-election Years.....	60
XVIII.	Trend of Wheat Prices by Five Day Periods,- May Futures in November-in Election and Non- election Years.....	73
XIX.	Comparison of the Peak Wheat Price During the Latter Six Months of the Year in Peak- cycle, Election and Mid-election Years .....	77
XX.	Comparison of the Bottom Price During the Latter Six Months of the Year in the Peak- cycle, Election and Mid-election Years.....	79

## INTRODUCTION

Each presidential election year, regardless of the existing economic conditions, there is a feeling among the general public that prices will rise and prosperity will exist temporarily at least, or in some cases that the reverse situation will develop.

While there are a great number of factors affecting the price of wheat in election years, as in any other years people often give the election most of the credit in making their estimates of price changes during this period. In a period of low prices there is a hope for better prices while in a period of high prices there is fear of a decline. A period of unrest exists. Investors, fearing an unstable market, become alarmed. Each turn the government takes is watched more closely than in normal times.

Some studies have been made of changes in business activity, security markets and general commodity price averages in election years. Few, if any, careful studies of the relation of important individual commodity price changes to national elections have been undertaken. An inquiry addressed to the University of Wisconsin, University of Minnesota, Cornell University, University of Chicago,



and Ohio State University revealed that these institutions had no knowledge of such studies having been made.

Any general effect of elections on commodity prices should show up in the case of some of the more important agricultural commodities if the effect is widespread in commodity markets. If there is such an effect it should be of a recurrent nature and consequently of more value in judging market performance than are secular and random price determining factors.

#### REVIEW OF LITERATURE

Several previous studies have been made on the relationship of business to presidential elections. These studies take into account general business conditions and not those of agricultural commodities such as wheat.

Theodore Knappen /1 points out in his study that if there is no large problem before the public at election time, business conditions will be little affected. He has analyzed the thirty-four election periods into fifteen being prosperous, ten being in depressions, five beginning prosperously and ending in depression, and four in a pronounced business depression. The most interesting of

---

/1 Knappen, Theodore. Do Presidential Years Bring Good Business? Magazine of Wall Street, Volume XLI, pages 833-835. March 10, 1928.

Knappen's discussion was the part devoted to a discussion of the ideas of Dudley Fowler of the Bank of New York.

Dudley Fowler is a strong believer in the idea that election years have an effect on commodity prices. He points out that there have been only four presidential years since 1800 marked by depression and for these he has legitimate excuses, 1808 being the first to which he attributes the International policies, chief among which were the Napoleonic Wars. The second presidential year marked by depression was 1860 due to the secession of States in the South. The cause in the latter two periods 1884 and 1920 was not attributed to political conditions. The year 1884 marked the closing of an important business house and a period of unsound economic conditions. 1920 marked a crisis in business affairs in the world at large.

Some other results of Fowler's studies are: (1) The Railroads moved more ton miles of revenue freight in every presidential election year than the preceding year as far back as 1904. (2) Pig iron production increased in every presidential election year from 1904 to 1924 with the exception of 1924. (3) Coal production has increased in every presidential election year from 1900 to 1924 with the exception of 1924. (4) Domestic imports increased in every presidential election year excepting 1884, 1888



and 1908. Imports decreased in 1884, 1892, 1904 and 1908 but increased in the other presidential years of the period. (5) The volume of money in circulation increased in every presidential election year except 1896. With the exception of 1908, the total of individual deposits in banks moved upward. (6) Since 1880 the volume of life insurance written has been larger in each presidential election year than the year before with the single exception of 1896. (7) Capital issues gained in every presidential election year excepting 1904. (8) Commodity prices have been higher in the last four presidential election years. These results include the election of 1924.

The weakness of Fowler's arguments lies in the fact that he makes all of his comparisons with the year previous to the elections and does not show the effects in the year following.

Miller <sup>/1</sup> made a similar study and drew the same general conclusions. He states in his discussion that under certain conditions the election of a president may have little effect on business and securities. Under other conditions it may have a great effect. He also

---

<sup>/1</sup> Miller, A. T. How Do Presidential Campaigns Affect the Stock Market? Magazine of Wall Street, Volume XLI, page 316. December 17, 1927.

states that if the two candidates were of opposite economic belief, one conservative, the other a genuine radical and each had an equal chance of election, probabilities are that business would show its fears of a radical election. This effect would cause a decline in the market and a recession in trade and industrial activity.

In an editorial /1 appearing in the Literary Digest for October 1, 1932, a discussion was made of the political sensation of Maine going democratic. This political upset was followed by a sharp break in the stock market. The Democratic victory also brought an avalanche of selling into the security market. As a matter of fact the Maine election caused some selling, but is probably more important as an excuse for what would have happened anyway, sooner or later due to existing economic conditions.

Another editorial /2 dealing with the subject of business in presidential election years appeared in the Commerce and Finance Chronicle which was based on a radio talk given by Dudley Fowler of the New York Bank. The

---

/1 Literary Digest. Politics and the Stock Exchange. Volume 114, pages 42-43. October 1, 1932.

/2 Commerce and Finance Chronicle Business in Presidential Election Years. Volume 118, page 2384. May 17, 1924.

same points as were given in this discussion appear also in the discussion in the article by Theodore Knappen.

An editorial /1 appearing in Bradstreet's Weekly, discusses business conditions in election and post-election years since 1875. This discussion points out that in a majority of the election years since 1875, business has been in a decline but as a contrast 10 out of 14 post-election years have been years of recovery. Seven of 15 election years - 1884, 1896, 1900, 1904, 1920, 1924 and 1932 showed recession in business. The year 1880, which had a large dent in it's boom period of the cycle might also be added to the preceding seven as years of uncertainty and business retreat. Two election years show no effects of concurrent political strife, 1876 and 1912. During 1888, 1892, 1908, 1916 and 1928 business was moving upward. Of the 14 post-election years considered, only four showed a decline in business while ten showed business on the uptrend. A brief description of the election years is as follows:

---

/1 Bradstreet's Weekly Prosperity Prospects After Election. Volume 60, page 1477. November 12, 1932.

- 1876: Normal, followed by a dip.
  - 1880: Above normal with rise continued throughout greater part of following year.
  - 1884: Sharp decline below normal, with bottom reached at end of year. Rapid recovery took place during next year and a half.
  - 1888: Business improved with rise continued for another year and a half.
  - 1892: High level maintained during year followed by a collapse in spring of 1893. Business at a low ebb throughout second administration of Cleveland.
  - 1896: Business declined sharply during year with healthy rally in the following spring.
  - 1900: Irregular around normal, but below both previous and ensuing year.
  - 1904: A repetition of 1900.
  - 1908: A year of steady recovery continuing into 1909.
  - 1912: Extraordinary stability around normal level.
  - 1916: Business rising sharply to war boom levels.
  - 1920: Post-war deflation in progress. Decline continuous.
  - 1924: Above normal, but below preceding and following years.
  - 1928: Business riding high.
  - 1932: The great Juggernaut of depression at its worst.
- A. T. Miller /1 points out in another study that

---

/1 Miller, A. T. Magazine of Wall Street. The Market From Now Until Election. Volume 50, page 636-637. October 1, 1932.

the national election is not of major economic significance, but that its uncertainties will necessarily cause at least a temporary damper upon speculative activity.

An editorial /1 appearing in Commerce and Finance on the subject of "Presidential Elections and Business" points out that there is a tradition deeply embedded in the American mind that trade and Wall Street markets will largely suspend activities when the contest for the Presidency and for Congress is in doubt. There are historic instances in which business circles held positive belief that election of one of the candidates would mean disaster. The prominence of a big question causes undue uneasiness as did silver coinage in 1896.

Since 1854, eight presidential elections have occurred in business depressions. In only three cases did the party in power lose control but these were years of major depressions, whereas, four of the five remaining were in minor depressions with business on the road to recovery at the time of the election. The years 1876 and 1932 are similar in that they occur in major depressions and at nearly the same position within the time.

---

/1 Commerce and Finance. Presidential Elections and Business. Volume 21, page 1273. October 19, 1932.

In 1884, 1896 and 1920 the trend of business was sharply downward at the time of elections. There was some question as to whether the election in 1932 would be similar to the election in 1876. The election in 1876 was a close race, but in the election in 1932 there was a greater difference in the vote for the two candidates.

#### PURPOSE OF STUDY

This study has been made with the purpose of determining what effect if any presidential election years have on the price of wheat. The factors studied were.

(1) The July price as compared with the September-October high in election and non-election years.

(2) A comparison of the September-October price of wheat in election years with the September-October price in non-election years.

(3) The relation of election years to advancing and declining periods in price.

(4) Determination of the time that the seasonal high price in uptrend and downtrend periods came in the latter six months of the year in election as compared with non-election years.

(5) Relationship of July to September price and the



October to December price in election and non-election years.

(6) Relationship between United States and world production of wheat, and United States prices.

(7) Determination of the month of bottom and peak prices during the latter six months in election and non-election years.

(8) Study of May futures during November by five day periods in election and non-election years.

(9) Study of the ten year cycle in wheat prices.

The immediate or first purpose is to determine whether the longer time inter-seasonal price changes, year to year price changes, and shorter time price changes in election years are characteristically different from those of other years. If there are characteristic differences in price changes in election years, to determine whether there are any apparent explanations other than the fact of a national election and its resulting effect on the psychology of traders.

The ultimate or final purpose is to determine whether in judging market performance, any unusual or upsetting influences arise from the psychology attendant upon national elections, that would invalidate otherwise trustworthy market forecasts.

### DEFINITIONS

Some terms used for the sake of brevity in the following discussions are not words that have common usage, and in order to clarify such statements that might make use of them these definitions are offered.

1. Election year - year in which presidential elections are held.
2. Non-election year - includes all years other than the election year.
3. Pre-election year - year preceding election years.
4. Post-election year - year following election years.
5. Mid-election year - the second year following election years.
6. Ten year cycle - as used in this thesis a long-time price trend which wheat prices tend to follow with peak prices reached approximately every nine to eleven years.
7. Peak cycle year - year in which average yearly prices were highest in the 9 to 11 year wheat price cycle.
8. Pre-peak year - year preceding the peak year.
9. Post-peak year - year following the peak year.
10. Mid-cycle - year midway between peak cycle years.
11. September-October top price - the highest price in the two months.



12. Current July — the July cash in years of election years.
13. Previous July — the July cash in years preceding election years.
14. Post July — the July cash in years following election years.
15. Mid July year — July cash two years following elections.

#### METHOD OF PROCEDURE

The prices taken for wheat were the average high and low at Chicago as compiled from Wallace's Agricultural prices. These prices were only taken to cover the period from 1860 to 1878. Monthly high prices at Chicago as compiled by the Chicago Board of Trade were used as a basis for prices from 1878 to 1932.

Data for production figures were taken from the 1932 Year Book of the United States Department of Agriculture. Data for May futures in November were taken from the Chicago Board of Trade Yearbook.

The comparisons made in this study cover the period from 1860 to 1932, or a total of eighteen election periods. Comparisons were made between prices in July and the September-October high in election, pre-election, post-election and mid-years. Comparisons were also made between the September-October peak price in pre-election

election, post and mid-years and the July price one year earlier, one year later, and with the July price in mid-election years. The September-October price in election years was also compared with that of the year before and year following. As the results from 1888 to the present time appeared more favorably toward election years having an effect on prices a separate table was made to show their effects.

Advancing and declining periods in price from 1860 to 1932 were worked out in an effort to see how well these periods fit in with election years. These periods ranged from a few months to several years in length.

The next study made was a comparison of the change in price from July to September as compared with the change from September to December in election and non-election years. Each change was worked out in per cent using the preceding month as the basis.

Determinations were made of the time the high wheat price came in the last six months of the year in the up and down trends in election and non-election years. After the determination was made the number of times for such months was computed in percentage so as to show the importance of each month. A study closely related to this was also made in determining the month of bottom and peak

prices during the latter six months in election and non-election years. These results were also worked out in percentages.

There was a feeling that perhaps prices within a month might fluctuate and be influenced by national elections consequently May futures by five day periods in November were studied. It was hoped that if the election had any effect upon prices it would surely show up immediately preceding and following the election day.

One of the most interesting portions of this study is the one devoted to the ten year cycle in wheat. In making this study a comparison by months for pre-peak, peak, post-peak and mid-cycle years in per cent of the mid-cycle year average is made to bring results out as strongly as possible. A scatter diagram was then made for each month for pre-peak, peak-cycle, post-peak and mid-cycle years. A graphical representation was made to show the effects of the peak year as compared with the pre-peak, post-peak and the mid-cycle year. Another graphical representation was made to show how election years dovetailed into the ten year cycle.

It is not the purpose of this study to show the quantitative effects of any one of the factors that have

been used but to point out that all of the factors taken collectively prove conclusively wheat prices are or are not affected by presidential elections.

Comparison of the July Price with the Current  
September-October Price of Wheat in  
Election and Non-election Years

During the period from 1860 to 1931, which included eighteen presidential elections, a comparison of the July price with the current September-October price in election and non-election years shows prices in September or October of election years to be higher no more frequently than those in post-election years, but less frequently so than in pre-election years and more frequently than in mid-election years. ( See Table I.)

Table I. - A comparison of the July price with the current September-October price of wheat in election and non-election years. (Chicago prices)

Position of Sept-Oct. price relative to July price	Pre-election years	Election years	Post-election years	Mid-election years
Higher	11	9	8	4
Lower	4	9	8	11
Same	2	0	2	3
No., years	17	18	18	18

In election years, the position of the September-October price relative to the July price was higher nine times and lower nine times. The same comparison in pre-election years was higher 11 times, lower four times and the same two years.

In post-election years the September-October price was higher than July eight times, lower eight times and two years the same while for mid-election years the September-October price was higher than July only four times, lower 11 times, and the same three times. The results in election and post-election are nearly identical while pre-election results show the September-October price to be higher a greater number of times than in election years. The results that are evident from such a study show a September-October price higher than that of July in pre-election rather than election years.

A comparison of the September-October price with the July price one year previous to the election ( See Table II) in election and non-election years shows prices to be higher 11 times, lower four times and the same twice in election years. In pre-election years the September-October price was higher 13 times, lower four times and the same once. The September-October prices

in both of these years are higher a greater number of times but since the results in the election years are no different from those in pre-election years little consideration can be given to any proximate effects of the election.

Table II. - A comparison of July price one year previous with September-October price of wheat in election and non-election years. (Chicago prices)

Position of Sept-Oct., price relative to July price 1 year previous	Pre-election years	Election years	Post election years	Mid-election years
Higher	13	11	8	7
Lower	4	4	9	9
Same	1	2	0	1
No., years	18	17	17	17

The post-election and mid-election years produce little different results. In post-election years the position of the September-October price relative to the July price one year previous was higher eight times and lower nine times as compared with mid-election years when the September-October price was higher seven times, lower nine times and the same once. In this comparison pre-election and election years give the same general results, while post-election and mid-election results are nearly the same. If the results in election years



had been as different from pre-election years as they were from post and mid-election it would have been an indication that prices in election years were higher because of the election.

A comparison of the September-October price with the July price one year following (See Table III) in election

Table III. - A comparison of July price one year later with September-October price of wheat in election and non-election years.

Position of Sept-Oct., prices with July (1 yr. later) price	Pre-election years	Election	Post-election	Mid-election
Higher	8	12	7	5
Lower	9	6	9	13
Same	1	0	2	0
No., years	18	18	18	18

and non-election years shows the price to be higher 12 times and lower six times in election years. This same comparison, but in pre-election years shows the September-October price to be higher eight times, lower nine times and the same once. In the post-election years the September-October price was higher than the July price one year later seven times, lower nine times and the same twice as compared with prices in mid-election years which were higher five times and lower 13 times. In election years the price was higher 12 out of 18 times or  $66 \frac{2}{3}$

Table IV. - A comparison of July price in mid-election with September-October price of wheat in election and non-election years.

Position Sept-Oct., price with July in odd years	Pre-election years	Election	Post-election	Mid-election
Higher	8	10	9	6
Lower	9	6	9	11
Same	0	1	0	1
No., years	17	18	18	18

A comparison of the September-October price in election years with the September-October price for the year previous and the year following election (See Table V) shows the September-October price in pre-election years to be higher eight times and lower nine times. The post-election years show the September-October price higher 11 times, and lower seven times. If prices in presidential elections were consistently higher than in non-election years it would become evident in this comparison. The September-October high should be near enough to the election in November to be affected if the election had an effect. Since the pre-election and post-election years do now show any advantage in favor of presidential elections, a logical conclusion would be that wheat prices in presidential election years are not consistently any



Table IV. - A comparison of July price in mid-election with September-October price of wheat in election and non-election years.

Position Sept-Oct., price with July in odd years	Pre-election years	Election	Post-election	Mid-election
Higher	8	10	9	6
Lower	9	6	9	11
Same	0	1	0	1
No., years	17	18	18	18

A comparison of the September-October price in election years with the September-October price for the year previous and the year following election (See Table V) shows the September-October price in pre-election years to be higher eight times and lower nine times. The post-election years show the September-October price higher 11 times, and lower seven times. If prices in presidential elections were consistently higher than in non-election years it would become evident in this comparison. The September-October high should be near enough to the election in November to be affected if the election had an effect. Since the pre-election and post-election years do now show any advantage in favor of presidential elections, a logical conclusion would be that wheat prices in presidential election years are not consistently any

higher than those in non-election years.

Table V. - A comparison of the September-October price in election years with September-October price year previous and year following.

Position Sept-Oct. price with Sept- Oct., price in election years	Pre- election	Post election
Higher	8	11
Lower	9	7
Same	0	0
No., years	17	18

Comparison of the July Price with the Current  
September-October Price of Wheat in Elect-  
ion and Non-election years since 1888

The period 1888 to 1931 involves a period of 11 presidential elections. The data that had been worked out for the period from 1860-1931 suggested that probably more favorable results in favor of presidential elections affecting wheat prices would be obtained if the more recent period were studied. It was thought that perhaps people were becoming more business conscious of politics and were being influenced more by presidential elections now than in earlier days.

A comparison of the July price with the current September-October price in election and non-election years since 1888 (See Table VI) shows the September-October price to be higher six times and lower five times. In pre-election years the September-October price was higher eight times, lower three times and the same once. The same comparison in post-election years shows the September-October price to be higher five times, lower five times and the same once. In mid-election years the September-October price was higher four times, lower five times and the same twice. The results in election, post-election and mid-election years are not alike, yet they are near to what was shown by data for the whole period 1860-1931. Pre-election years, a greater number of times are higher. This result, together with the similarity of election years with post and mid-election years indicates that wheat prices in presidential election years since 1888 are not consistently influenced by the elections over spans of 90 to 120 days.

Table VI. - A comparison of the July Price with the current September and October price of wheat in election and non-election years since 1888.

Position Sept-Oct price relative to July price	Pre-election years	Election years	Post-election years	Mid-election years
Higher	8	6	5	4
Lower	3	5	5	5
Same	1	0	1	2
No., years	12	11	11	11

A comparison of the previous July price with the September-October price of wheat in election and non-election years since 1888 (See Table VII) shows the September-October price in election years to be higher nine times, lower once and the same once. In pre-election years the September-October price was higher eight times, lower three times, and the same once. The comparison in post-election years shows the September-October price to be higher six times and lower five times while for mid-election years the September-October price was higher five times, lower five times and the same once. Election and pre-election years show the September-October price to be higher than the previous July price a greater share of the time.

Table VII. - A comparison of the July price one year previous with the September-October price of wheat in election and non-election years since 1888.

Position of Sept-Oct., price relative to July price	Pre election years	Election years	Post election years	Mid election years
Higher	8	9	6	5
Lower	3	1	5	5
Same	1	1	0	1
No., years	12	11	11	11

Post and mid-election year results are similar.

Election years show a strong tendency toward the September-October price being higher but the results in pre-election are nearly as strong. Since the results in pre-election years are nearly the same as those in election years a logical conclusion would give little advantage in favor of election years.

A comparison of the post July price with the September-October price of wheat in election and non-election years since 1888 (See Table VIII) in election years shows the September-October price to be higher eight times and lower three times. In pre-election years the September-October price was higher four times and lower eight times. The comparison in post-election years shows the September-

October price to be higher four times, lower six times and the same once. In mid-election years the September-October price is higher three times and lower eight times. Election years, being higher a greater proportion of the time than pre-election, post-election or mid-election stand out as a factor to uphold the high wheat price argument in election years. It must be remembered that this is only one place where such a tendency has shown up and that if such results had shown up when the July price in election years was compared with the September-October price in election years it would not be questioned as to whether the presidential elections affected the wheat market.

Table VIII. - A comparison of the July price one year later with the September-October price of wheat in election and non-election years since 1888.

Position of Sept-Oct. price relative to July price	Pre-election years	Election years	Post election years	Mid-election years
Higher	4	8	4	3
Lower	8	3	6	8
Same	0	0	1	0
No., years	12	11	11	11

A comparison of the July price in mid-election years with the September-October price of wheat (See Table IX)



shows the September-October price in election years to be higher six times, lower four times and the same once. The September-October price is higher five times and lower six times in pre-election years. In post-election years it is higher six times and lower five times while in mid-election years the September-October price is high four times, low six times and the same once.

Table IX. - A comparison of the July price in mid-election years with the current September-October price of wheat in election and non-election years since 1888.

Position of Sept-Oct., price relative to July price	Pre-election years	Election	Post election	Mid-election years
Higher	5	6	6	4
Lower	6	4	5	6
Same	0	1	0	1
No., years	11	11	11	11

There are no outstanding results in this table. The results in election years are not much different from pre-election. Post and mid-election years do not show any deviation from the normal trend.

A comparison of the September-October price in election years with the September-October price in pre-election, post-election and mid-election years (See Table X) shows

that in pre-election years the September-October price was higher eight times and lower nine times as compared with the post-election results when the September-October price was higher 11 times and lower seven times. In mid-election years the September-October price was higher six times and lower 12 times. With such results it is quite evident that the September-October price in election years is no different from that in non-election years.

Table X. - A comparison of the September-October price in election and non-election years with the current September-October price of wheat in election years.

Position of Sept-Oct., price in election years relative to Sept-Oct., in other years	Pre-election years	Election years	Post-election years	Mid-election years
Higher	8		11	6
Lower	9		7	12
Same	0		0	0
No., years	17		18	18

These comparisons between the July and September-October prices have brought out few striking results in favor of better wheat prices in election years. The majority of the comparisons made have been in the opposite direction.



**The Relationship of Election years to Advancing  
and Declining Periods in Wheat Prices**

The declining and advancing periods of wheat prices were studied to determine the effectiveness of presidential elections in bringing price trends to a peak, or in turning them upward if the trend was down. (See Table XI) At no time did the price trend reach its peak in the month of election. If the price trend was headed in one direction it extended through November and was not affected. There were only two times out of 18 when the advancing trend reached its peak within three months of the election. This probably cannot be attributed to the effect of the election. At no time did the declining price trend show any effects from the election in November as the nearest time to the election that the price decline was checked and turned upward was nine months.

Table XI. - Movement of Wheat Prices Up or Down in Number of Months  
Before and After Election. Wheat Prices Chicago.

Year	Advancing price period		Declining price period	
	Before election No. of months	After election No. of months	Before election No. of months	After election
1860				
64	36	--	4	16
68	--	--	18	15
72	28	--	6	27
76	21	6	--	--
80	3	11	--	--
84	--	--	37	--
88	--	--	2	15
92	--	--	19	23
96	25	17	--	--
1900	8	50	--	--
04	56	3	--	--
08	25	7	--	--
12	--	--	7	9
16	12	18	--	--
20	--	--	11	32
24	16	3	--	--
28	--	--	7	To present time
32				

Source: Chicago Board of Trade.

A Comparison of July-August-September with October-  
November-December Peak Wheat Price when Price  
was on the Uptrend in Election and Non-  
election years

A comparison of the July to September price with the October to December price when the price for wheat was on the uptrend (See Table XII) shows that in election years the peak price was in the July to September period 50 per cent of the time and in the October to December period 50 per cent of the time. In those pre-election years when wheat price was on the upgrade this comparison shows the peak price in the July to September period 30 per cent and in the October to December period 70 per cent of the time. The same comparison in post-election years brings out the fact that the peak price came 20 per cent of the time in the July to September period as compared to 80 per cent of the time in the October to December periods. In those mid-election years when wheat prices were on the upgrade, peak wheat prices came  $62\frac{1}{2}$  per cent of the time during the July to September period, while peak wheat prices came in the October to December period only  $37\frac{1}{2}$  per cent of the time. The per cent of the times that the peak wheat price

Table XII. — A Comparison of July-August-September with October-November-December Peak Wheat Prices When Price was in Uptrend in Election and Non-election years.

	Pre-election			Election			Post-election			Mid-election		
Month	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec.	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec.	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec.	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec.
July	0	0)	30	2	20)	50	1	20)	20	1	12½)	62½
Aug.	1	10)		1	10)		0	0)		2	25 )	
Sep.	2	20)		2	20)		0	0)		2	25 )	
Oct.	2	20)	70	1	10)	50	1	20)	80	1	12½)	37½
Nov.	1	10)		2	20)		0	0)		0	0)	
Dec.	4	40)		2	20)		3	60)		2	25 )	

came during the October to December period is higher in pre-election and post-election years than in election years. In only three out of 19 years when wheat price was on the uptrend during the October to December period, did the peak price come in November.

A Comparison of July-August-September with October-  
November-December Peak Wheat Price when Price  
was on the Downtrend in Election and  
Non-election years

A comparison of the July to September with October to December price, when wheat prices were on the downtrend in election years (See Table XIII) shows the peak price in the July to September period  $87\frac{1}{2}$  per cent of the time and in the October to December period  $12\frac{1}{2}$  per cent of the time. In those pre-election years when wheat price was on the downtrend the peak price came during the July to September period 75 per cent of the time as compared with the October to November period which was 25 per cent of the time. In post-election and mid-election years, the peak price came during the July to September period all of the time.

The results in pre-election and election years are the only ones to show anything in favor of the October to December period. The peak price during this period

Table XIII. — A Comparison of July-August-September with October-November-December Peak Wheat Prices when Price was in Downtrend in Election and Non-Election Years.

Year	Pre-election			Election			Post-election			Mid-election		
Month	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec	No., times	Per cent of times	Comparison July-Sept. with Sept-Dec
July	4	50)	75	5	62½)	87½	8	61.5)	100	9	90)	100
Aug.	2	25)		2	25)		3	23.)		1	10)	
Sep.	0	0)		0	0		2	15.4)		0	0)	
Oct.	1	12½)	25	1	12½)	12½	0	)	0	0	0)	0
Nov.	1	12½)		0	0)		0	)		0	0)	
Dec.	0	0)		0	0)		0	)		0	0)	



came oftener in pre-election than in election years while the peak price came in November only once.

The Relationship of the September Price to the  
July Price and of the December price to  
the September Price in Election and  
Non-election years

A comparison of the July with the September price of wheat in election and non-election years (See Table XIV) shows the September price to be higher nine times, lower seven times and the same two times in pre-election years. In election years the September price is higher seven times and lower 11 times. This same comparison in post-election years shows the September price to be higher six times, lower 11 times and the same once as compared with the mid-election years when the September price was higher five times, lower 12 times and the same once. The results in election years were unfavorable to the idea of September price being higher than the July price. In every year, except pre-election the price in September was lower than July a greater number of times. Although pre-election years show the September price higher more times, the result is not decisive enough to indicate a high September price in pre-election years.

Table XIV. - Comparison of September price with July price of wheat in pre-election, election, post and mid-election years.

Relative position of Sept. price to July price	Pre- election	Election	Post- election	Mid- election
Higher	9	7	6	5
Lower	7	11	11	12
Same	2	0	1	1
No., years	18	18	18	18

A comparison of the December with the September price of wheat in election and non-election years (See Table XV) shows December to be higher in election years six times, lower 11 times, and the same once. In pre-election years the December price was higher eight times, lower nine times and the same once. The same comparison in post-election years shows December to be higher seven times, lower 10 times and the same once. In the mid-election year comparison, the December price was higher seven times and lower 11 times. The December price was lower than the September price a greater portion of the time for all years. Election years proved to be the weakest of the whole group in the number of times that December was higher.

Table XV. - Comparison of December price with September price of wheat in pre, election, post and mid years.

Relative position of Dec. price with Sept. price	Pre- election	Election	Post- election	Mid- election
Higher	8	8	7	7
Lower	9	11	10	11
Same	1	1	1	0
No., years	18	18	18	18

#### Relationship Between World and United States

##### Production and United States Prices

Literature on election years and business, states that international affairs are more important than those of national prominence in determining price. Since the United States is one of the most important countries in wheat production, a study was made of the United States and of the world production in relation to the United States price.

There is more of a tendency for United States prices to correlate closer to world than United States production. (See Table III in Appendix also Figures 1 and 2.) It is to be expected that the United States production would show some relationship with United States prices because



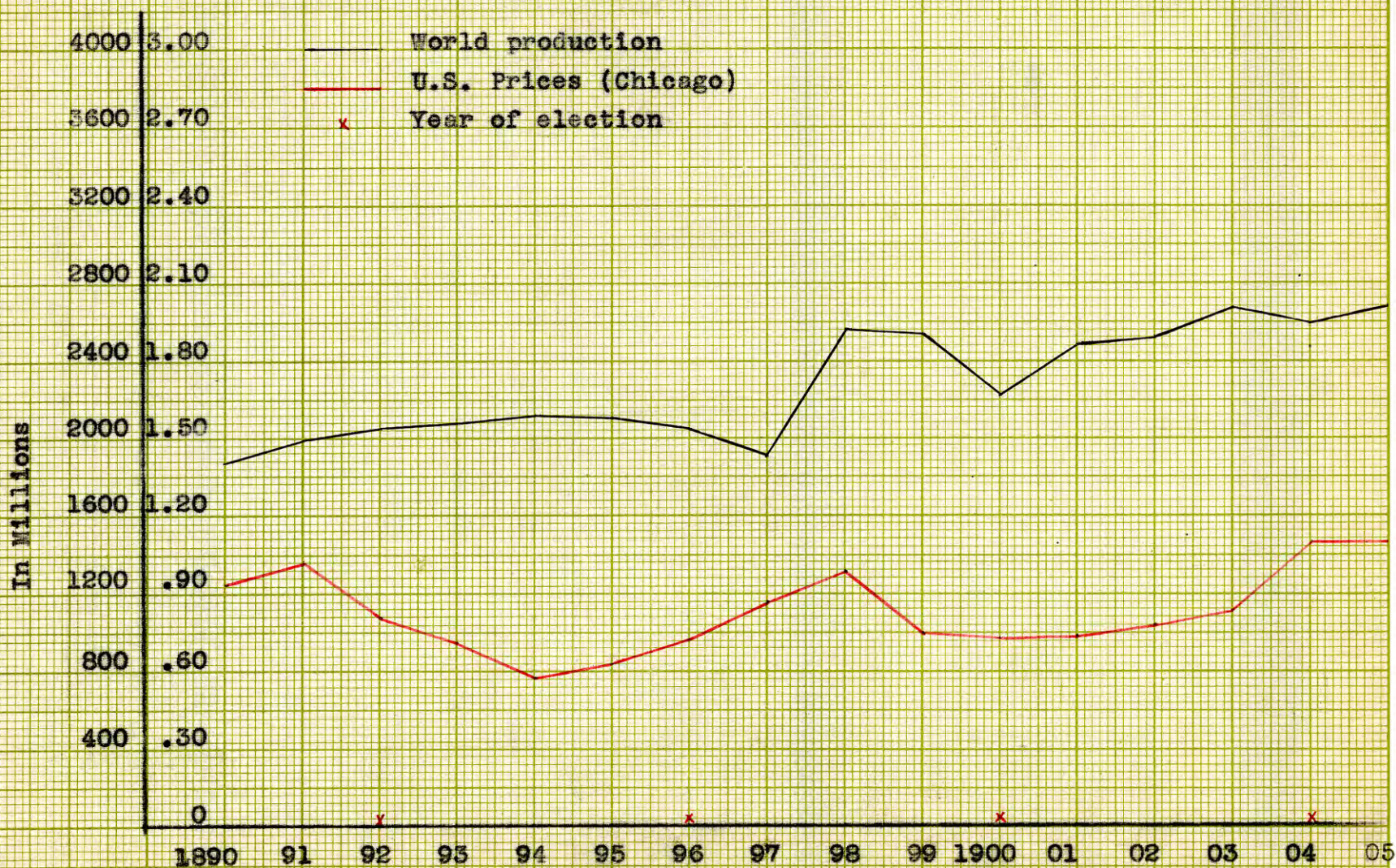


Fig. 1 - Relationship Between World Wheat Production and U. S. Prices.



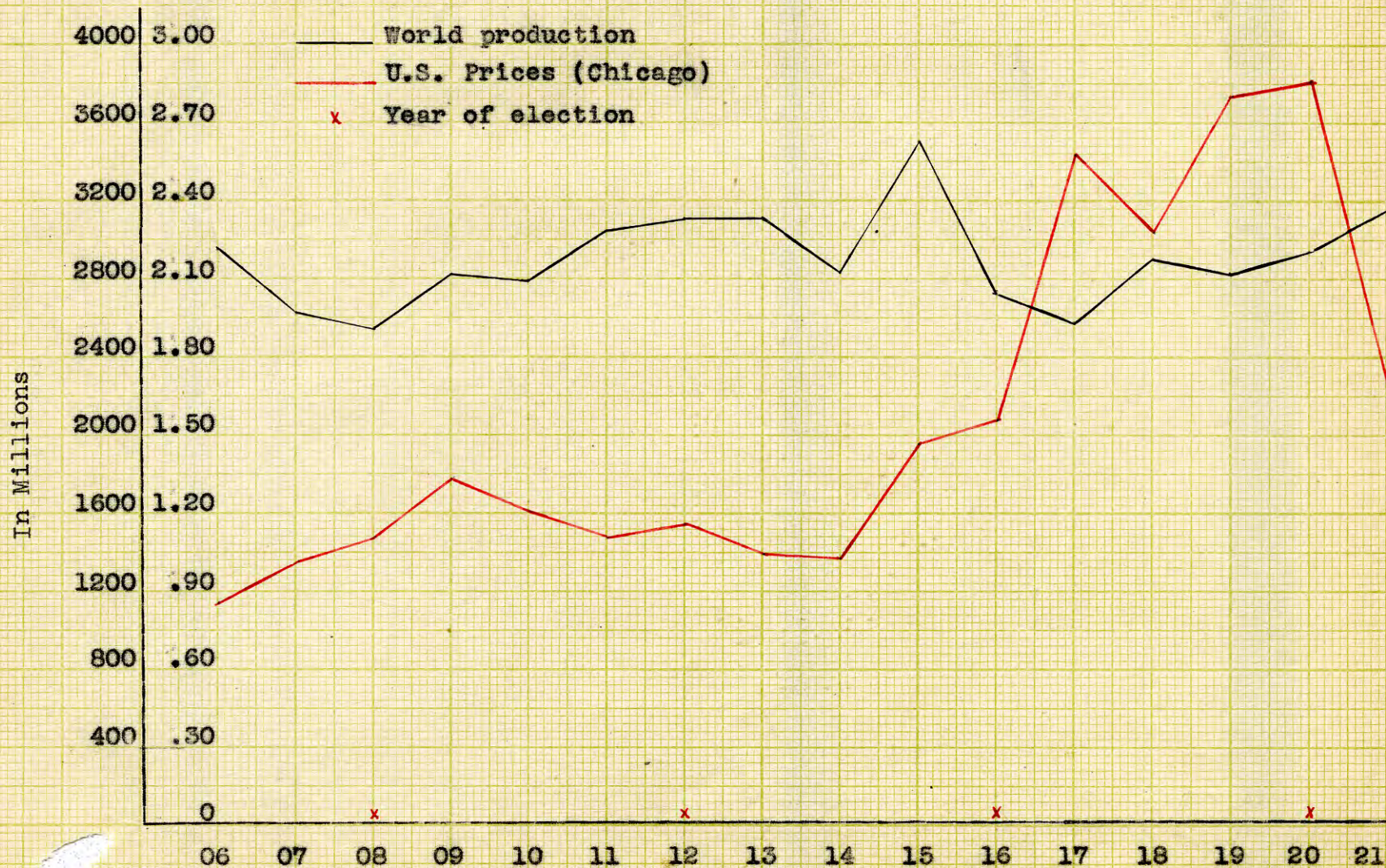


Fig.1 - (Con't.)



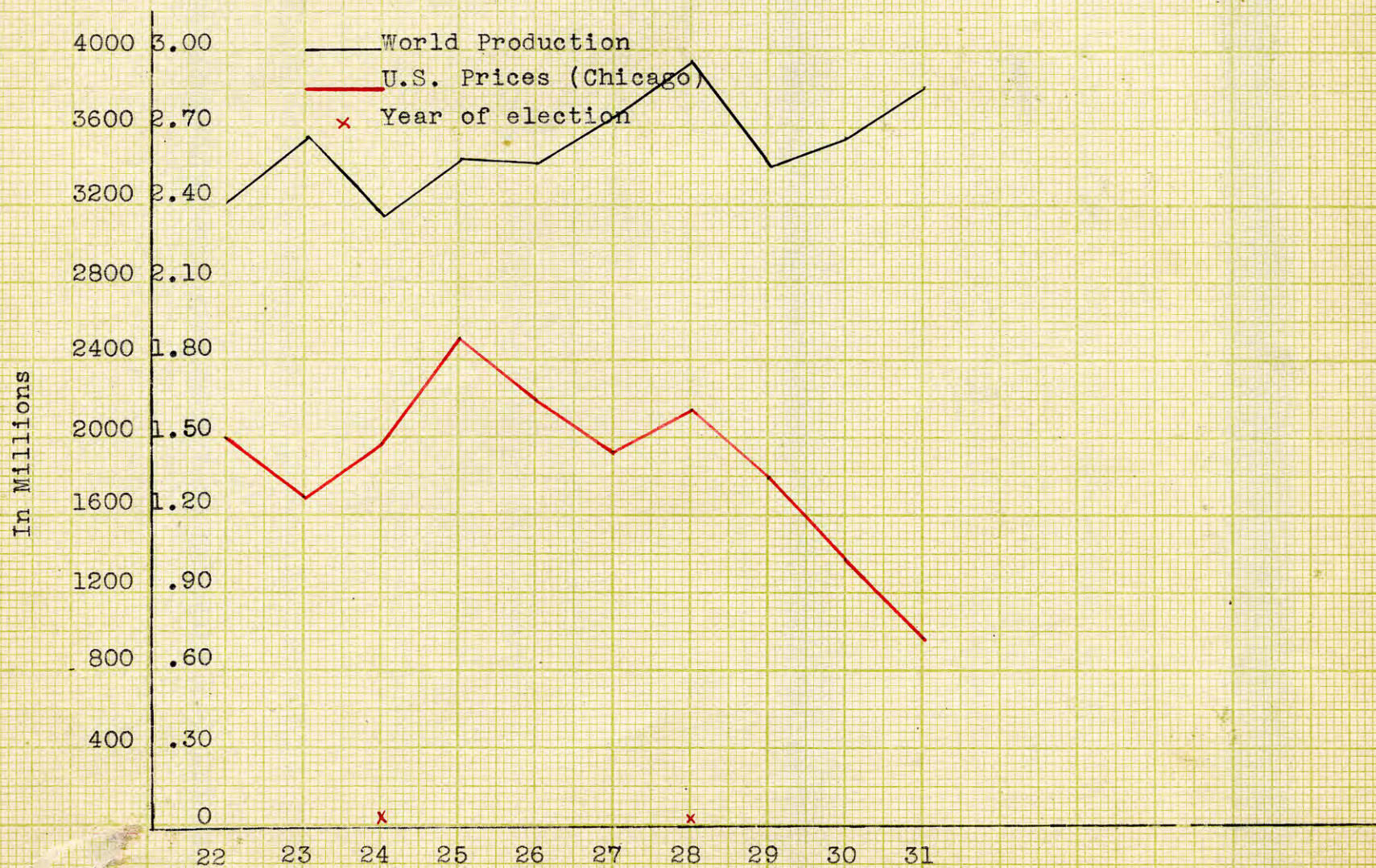


Fig. 1 - (Con't)



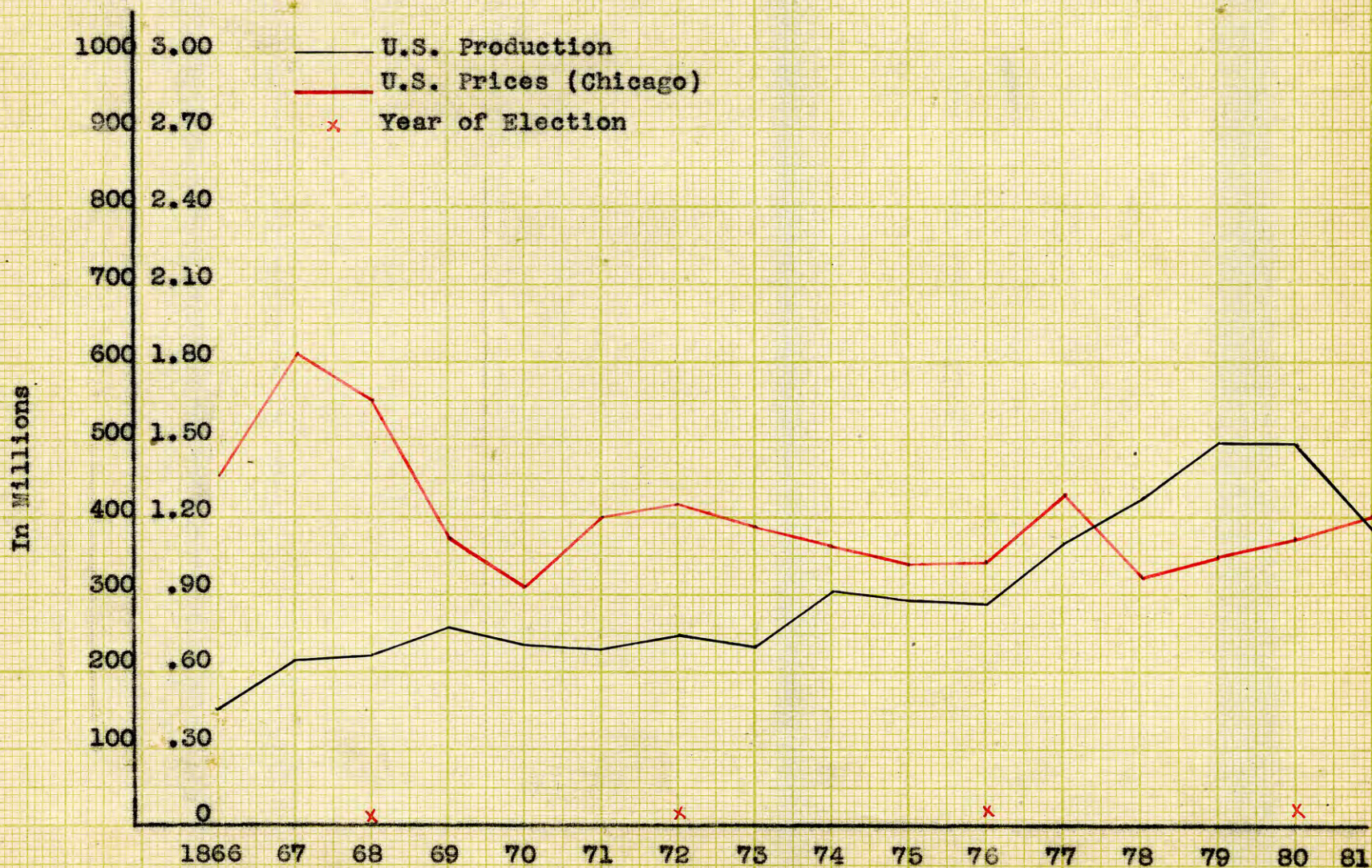


Fig. 2 - Relationship Between U. S. Wheat Production and U. S. Prices.



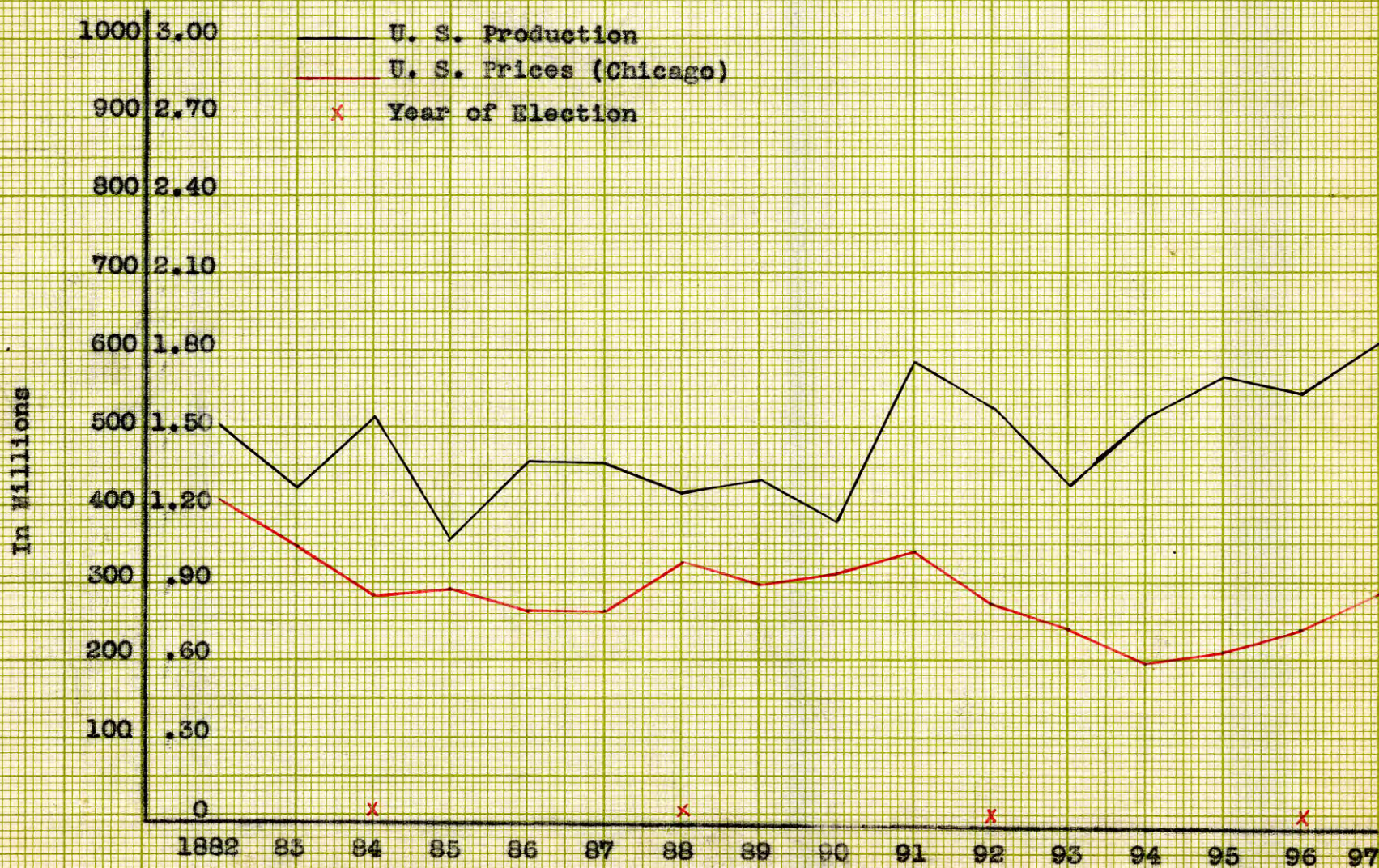


Fig. 2 - (Con't)



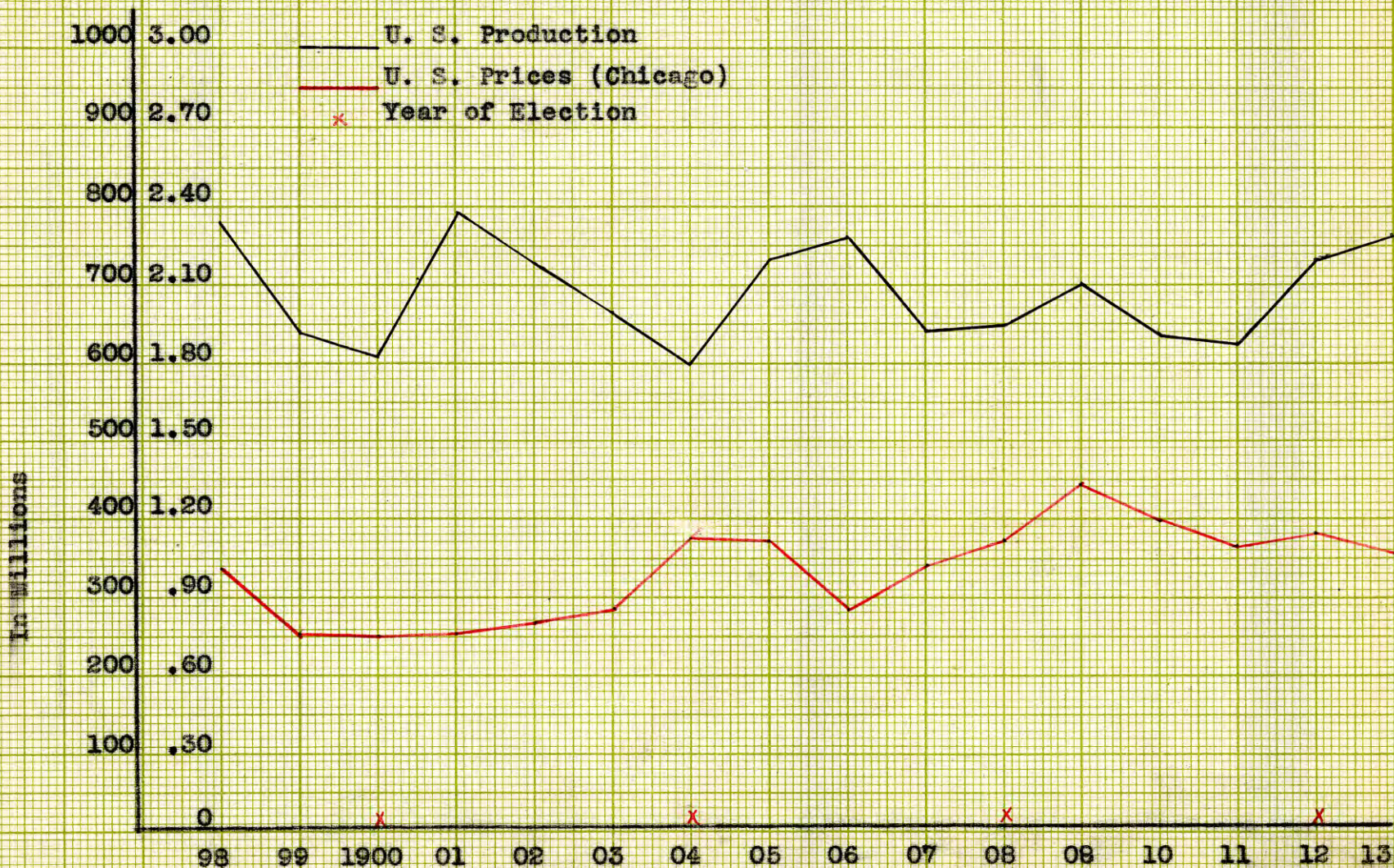


Fig. 2 - (Con't)



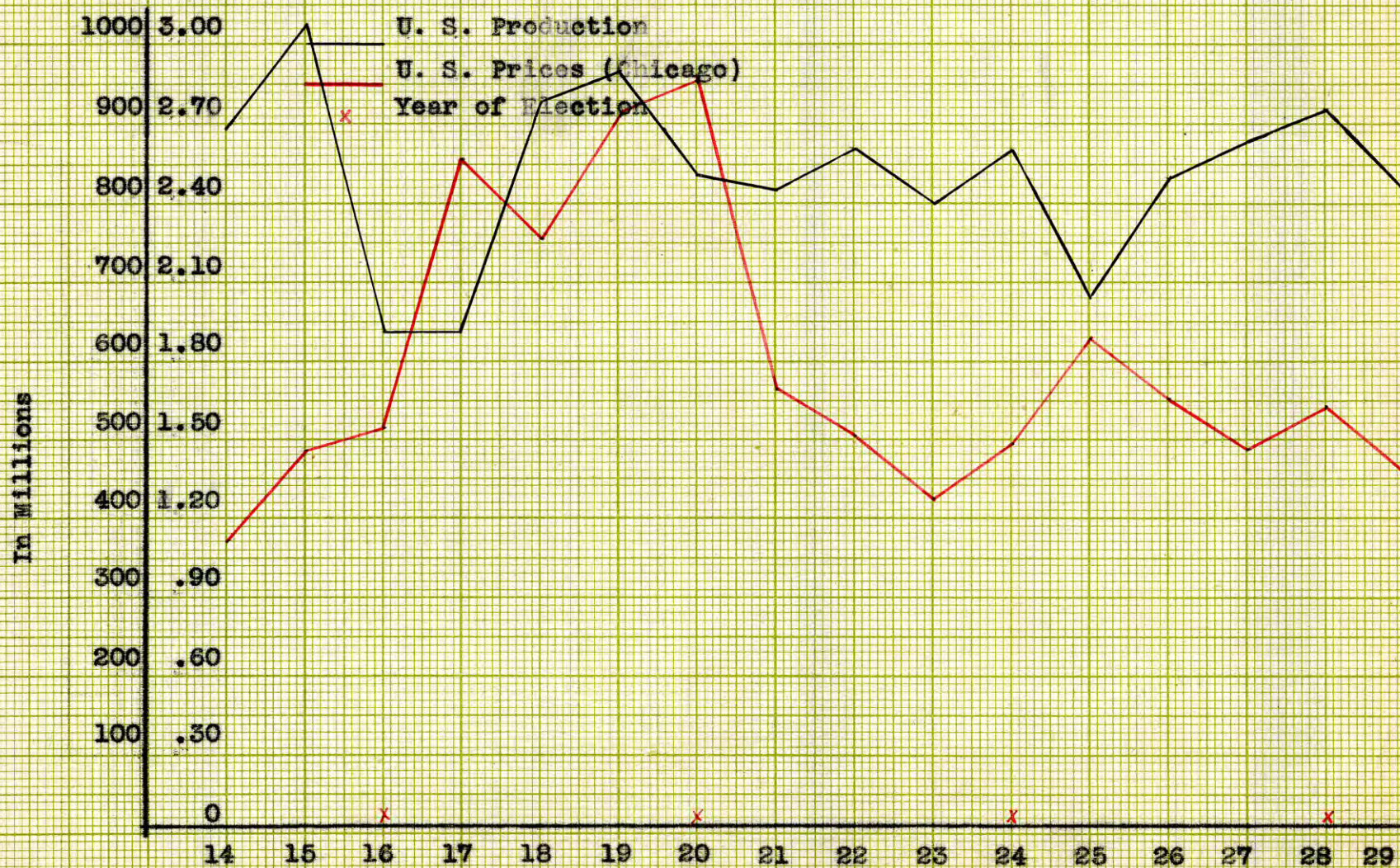


Fig. 2 - (Con't)



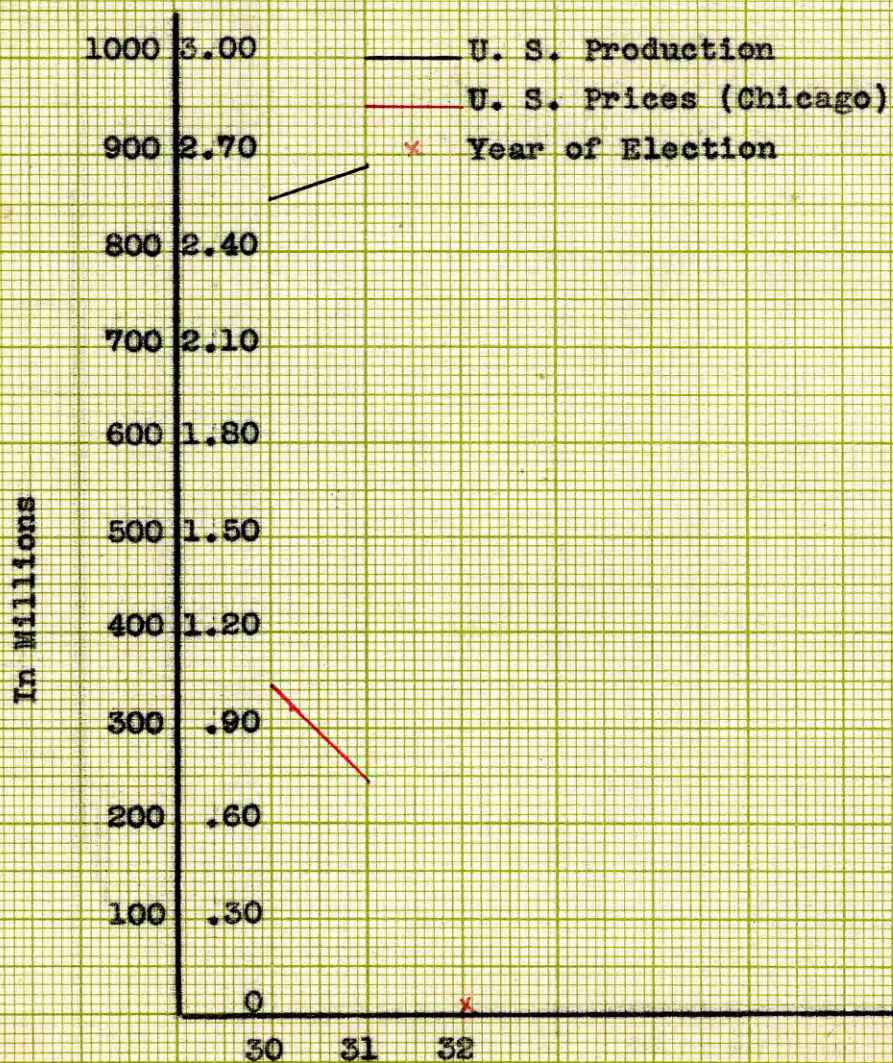


Fig. 2 - (Con't)



of the position which the United States holds as a wheat producing country. Furthermore, important national affairs may cause some reaction in the wheat market. Prices in years of presidential elections appear to be no stronger than those in non-election years. There were no sudden changes which might be attributed to the effects of the election. Election years fall into the general price trend without any noticeable fluctuations and are sometimes found in the trough in the price cycle. It is evident from figures 1 and 2 that National elections do not arrest or change the larger wheat price trends already under way from other causes.

Comparison of the Peak Price During the  
Latter Six Months of Year in Election and Non-election Years

A comparison of the peak price during the latter six months of the year in election years (See Table XVI also Figure 3) shows the peak came in the July to September period 66  $\frac{2}{3}$  per cent of the time as compared with the 33  $\frac{1}{3}$  per cent for the October to December period. In pre-election years, the peak price came in the July to September period 55 per cent of the time as compared



Table XVI. - Comparison of Peak Price During Latter Six Months of Year in Pre-election, Election, Post-election and Mid-election years.

Year	Pre-election			Election			Post-election			Mid-election		
Month	No., times	Per cent of times	Comparison July-Sept with Sep-Dec	No., times	Per cent of times	Comparison July-Sept with Sep-Dec	No., times	Per cent of times	Comparison July-Sept with Sep-Dec	No., times	Per cent of times	Comparison July-Sept with Sep-Dec
July	4	22.2)	55	7	39 )	66 2/3	8	44)	66	11	62)	89
Aug	4	22 )		3	16 2/3)		2	11)		3	16)	
Sep	2	11 )		2	11 )		2	11)		2	11)	
Oct	2	11 )	44	3	16 2/3)	33	2	11)	33	1	5.5)	11
Nov	2	11 )		2	11 )		0	0)		0	0)	
Dec	4	22 )		1	5 )		4	22)		1	5.5)	



Source: Wallace's Agricultural Prices.

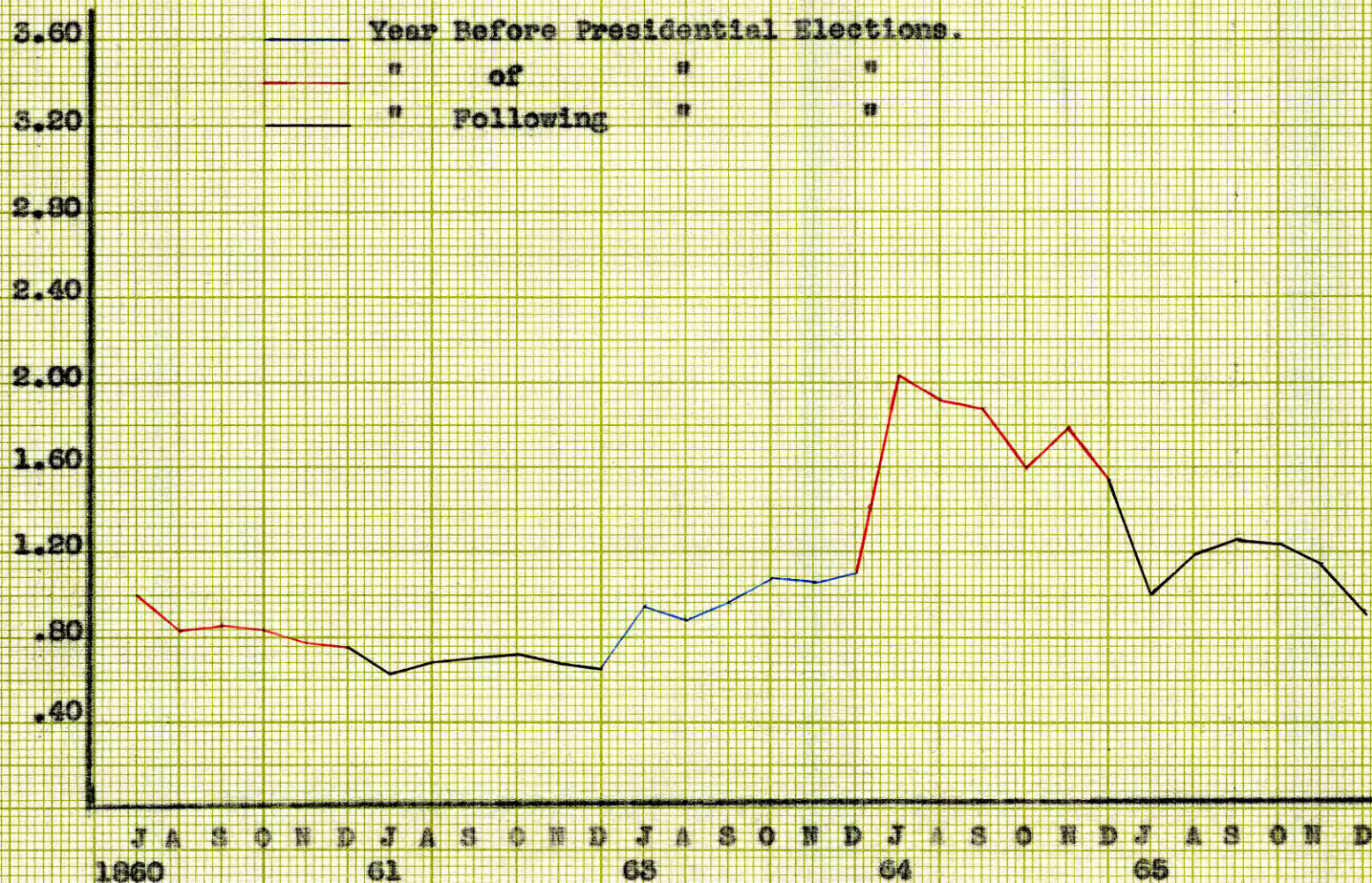


Fig. 3 - Relationship Between the Last Six Months of the Year Before Year of, and Year Following Elections.  
Average High and Low - Chicago prices.



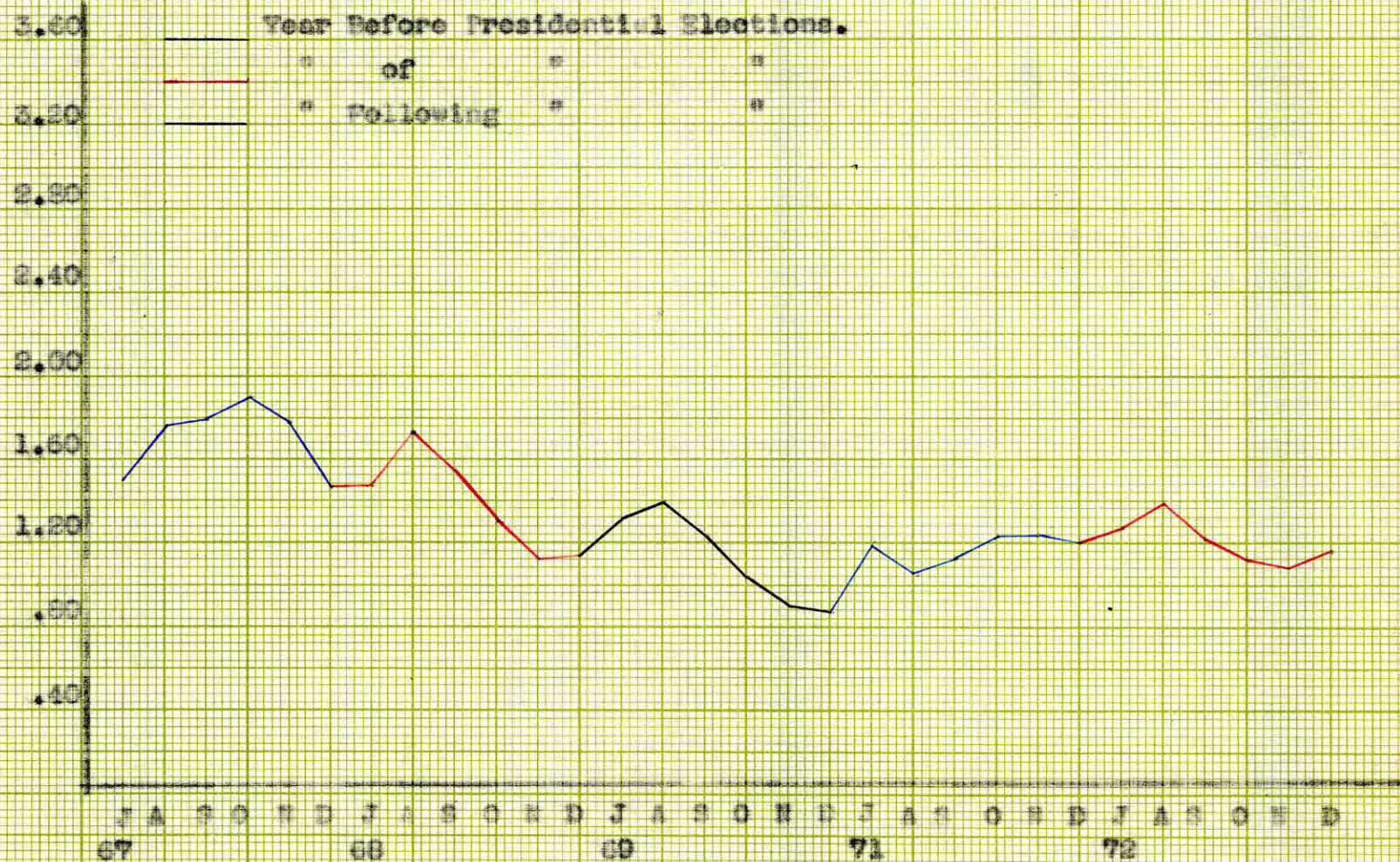


Fig. 3 - (Cont'd.) Average High & Low - Chicago prices.



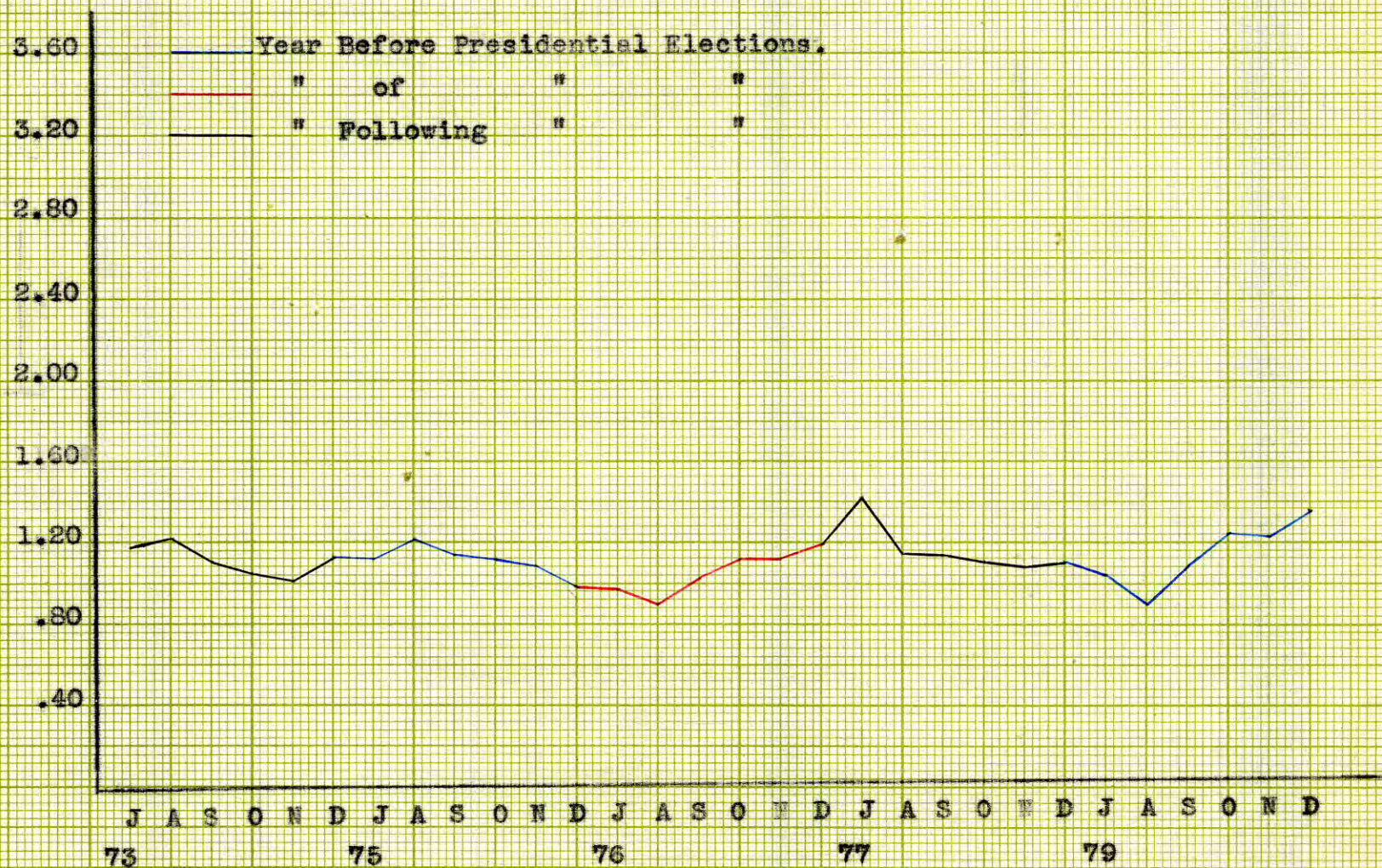


Fig. 3 - (Cont'd.)



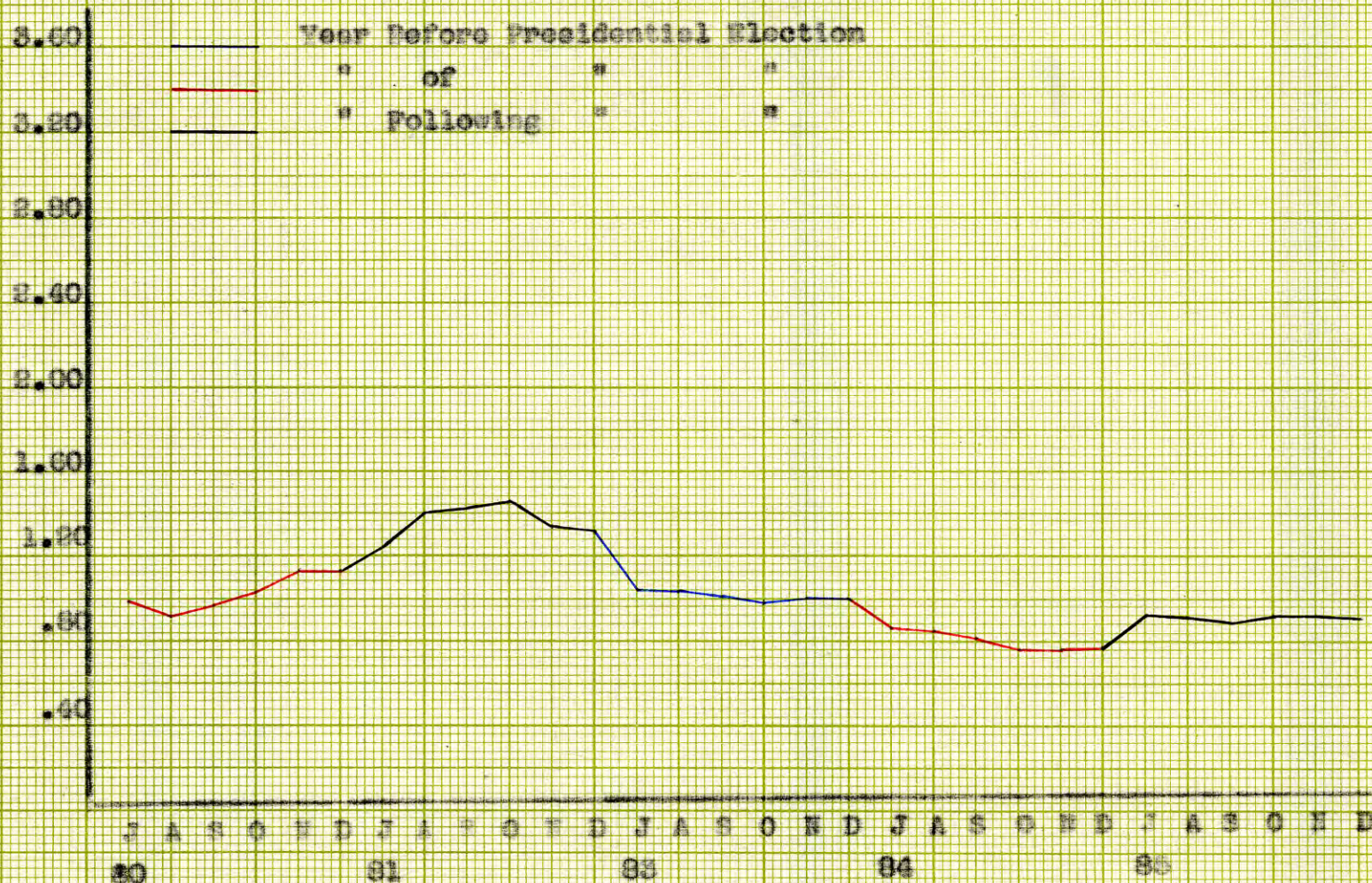


Fig. 3 - (Cont'd.) Monthly high - Chicago prices.

Source: Chicago Board of Trade Year Book.



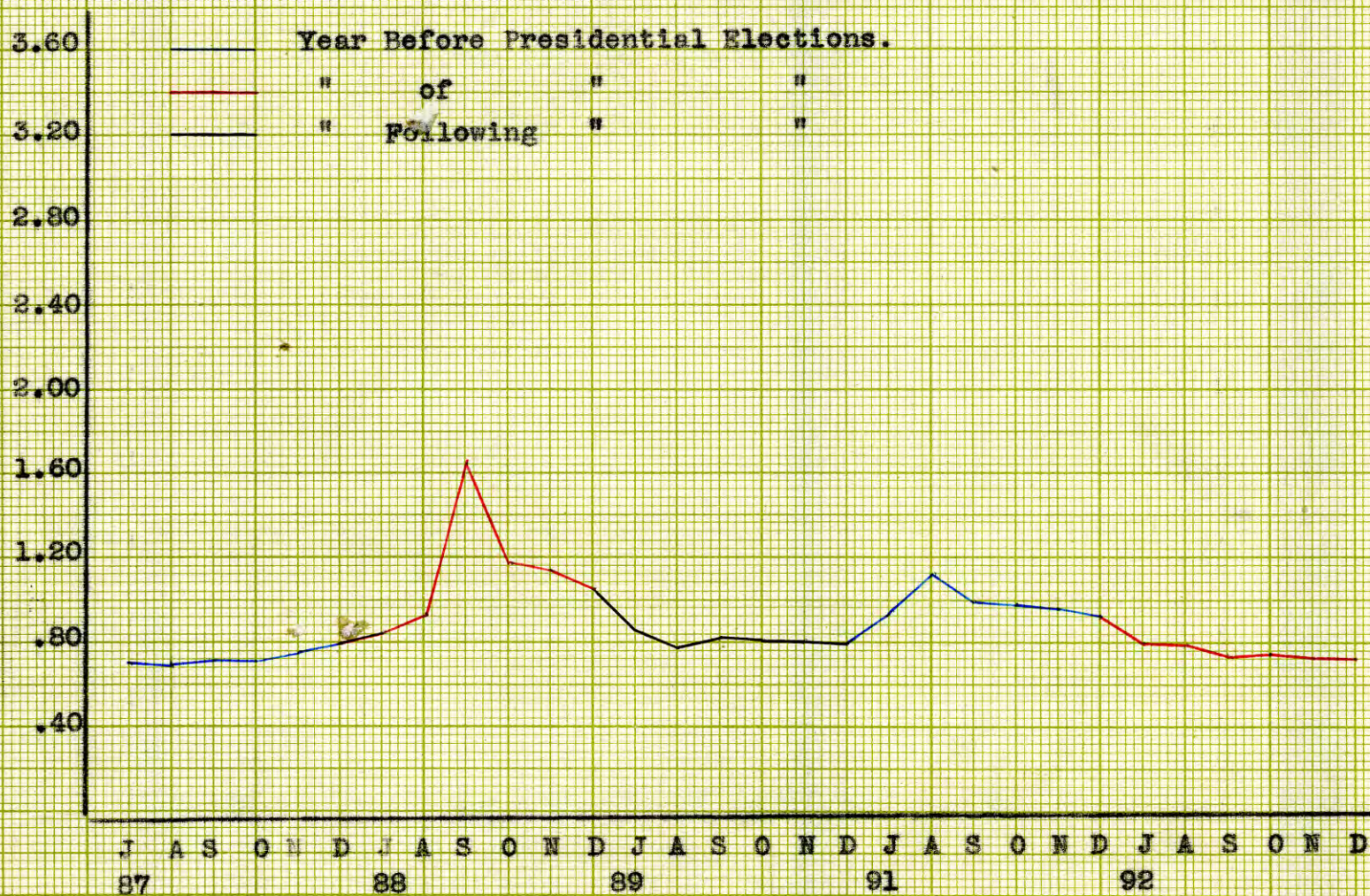


Fig. 3 - (Cont'd.)



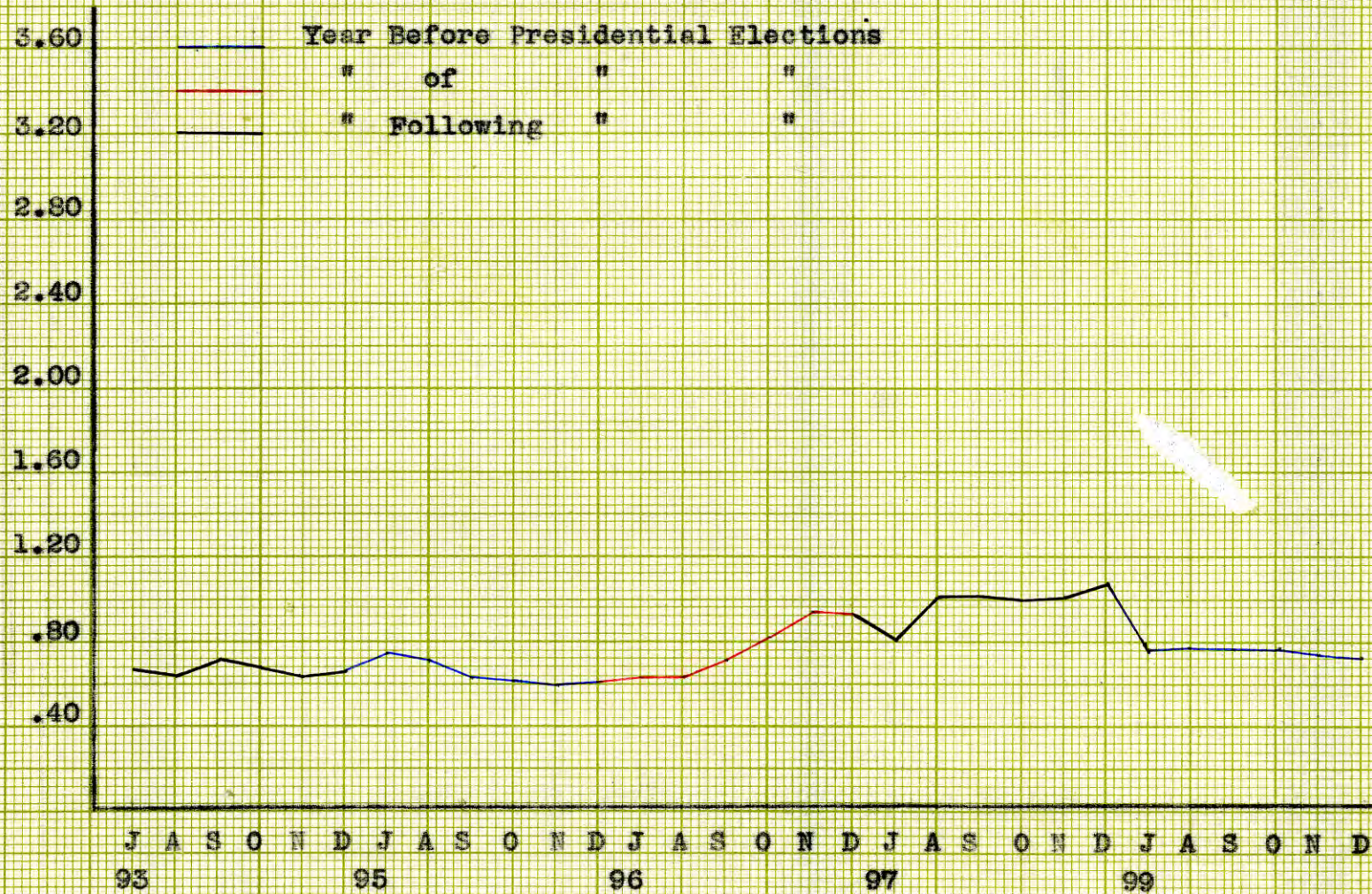


Fig. 3 - (Cont'd.)







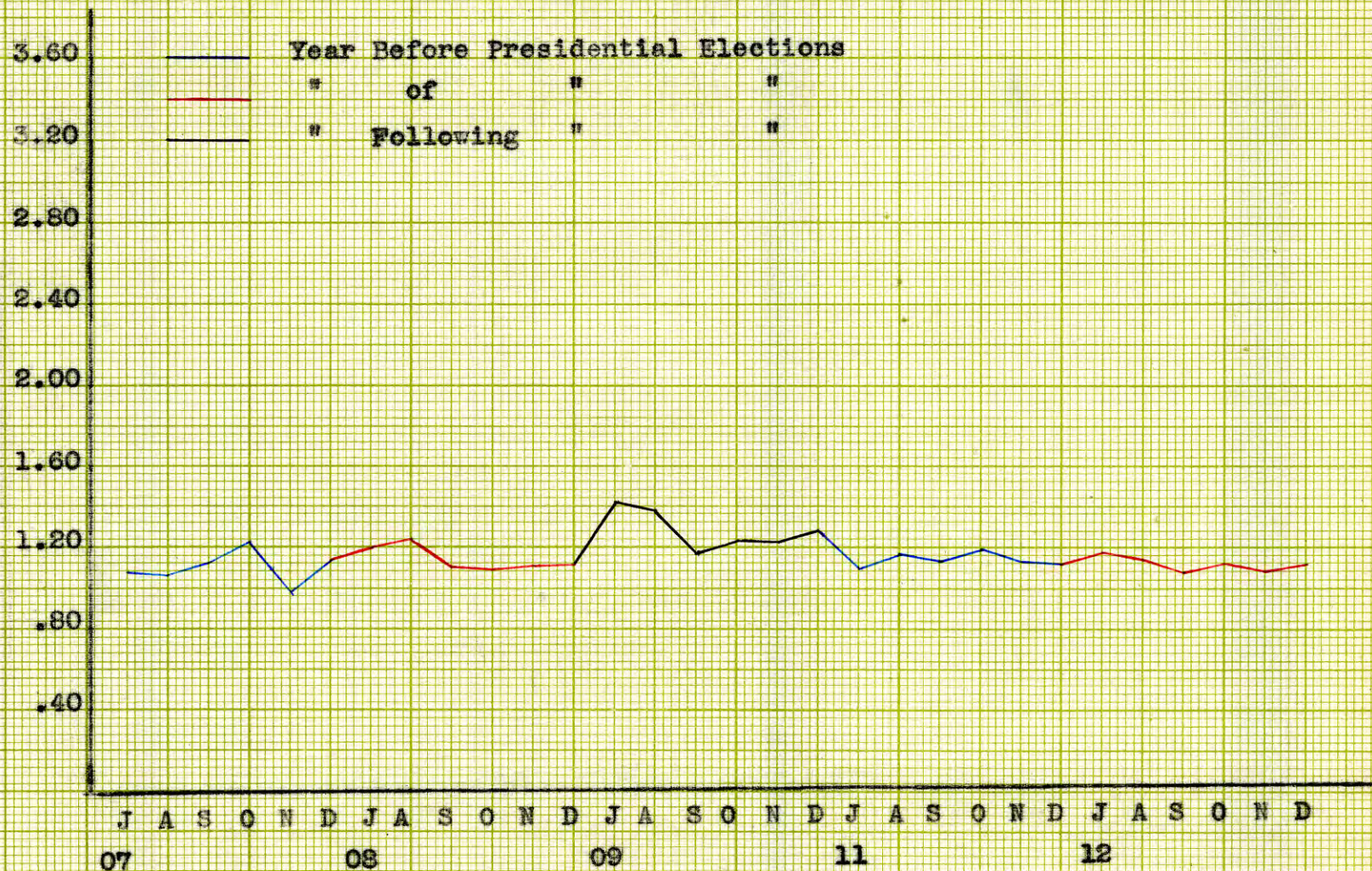


Fig. 3 —(Con't.)



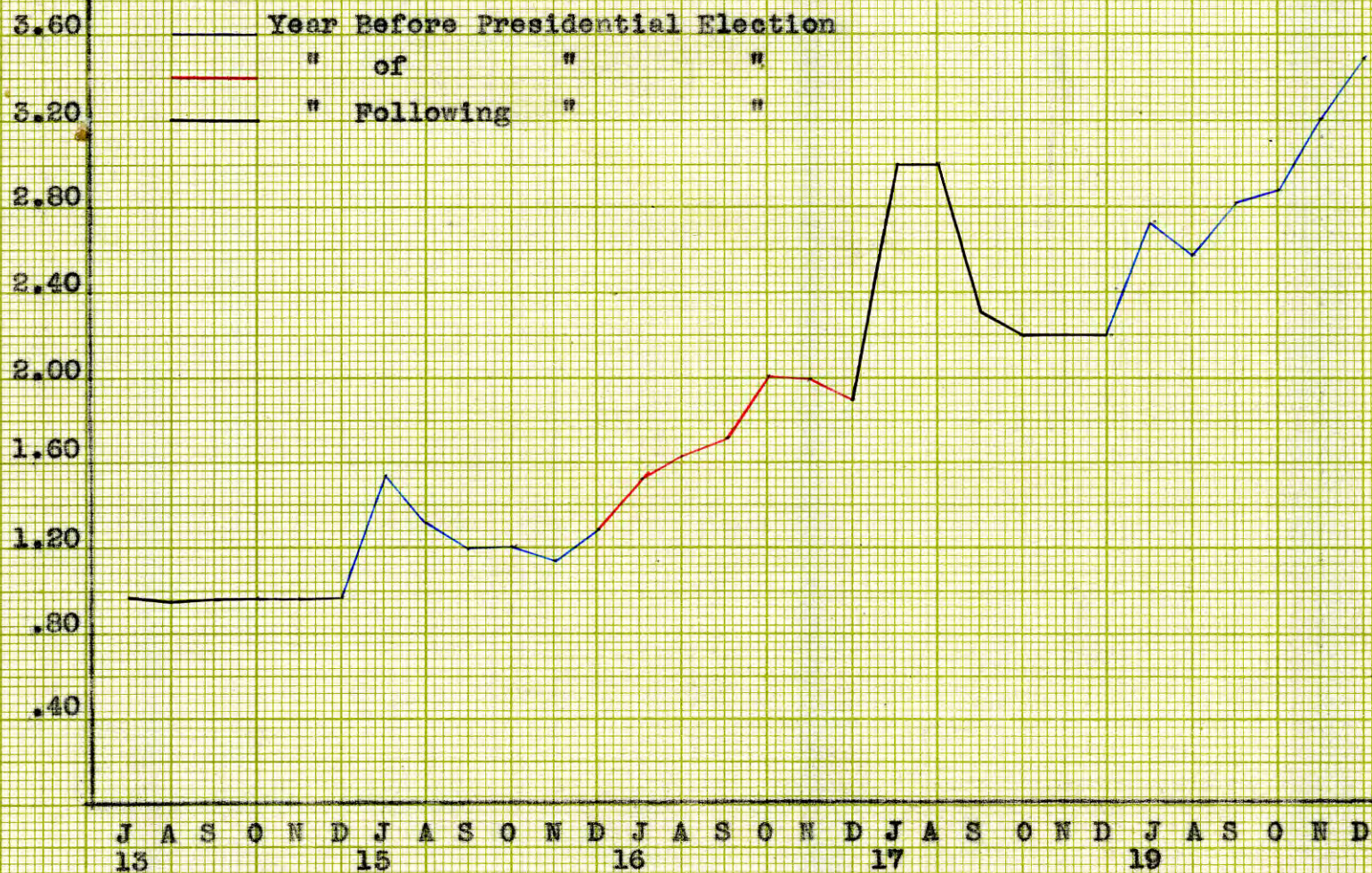


Fig. 3 —(Con't.)



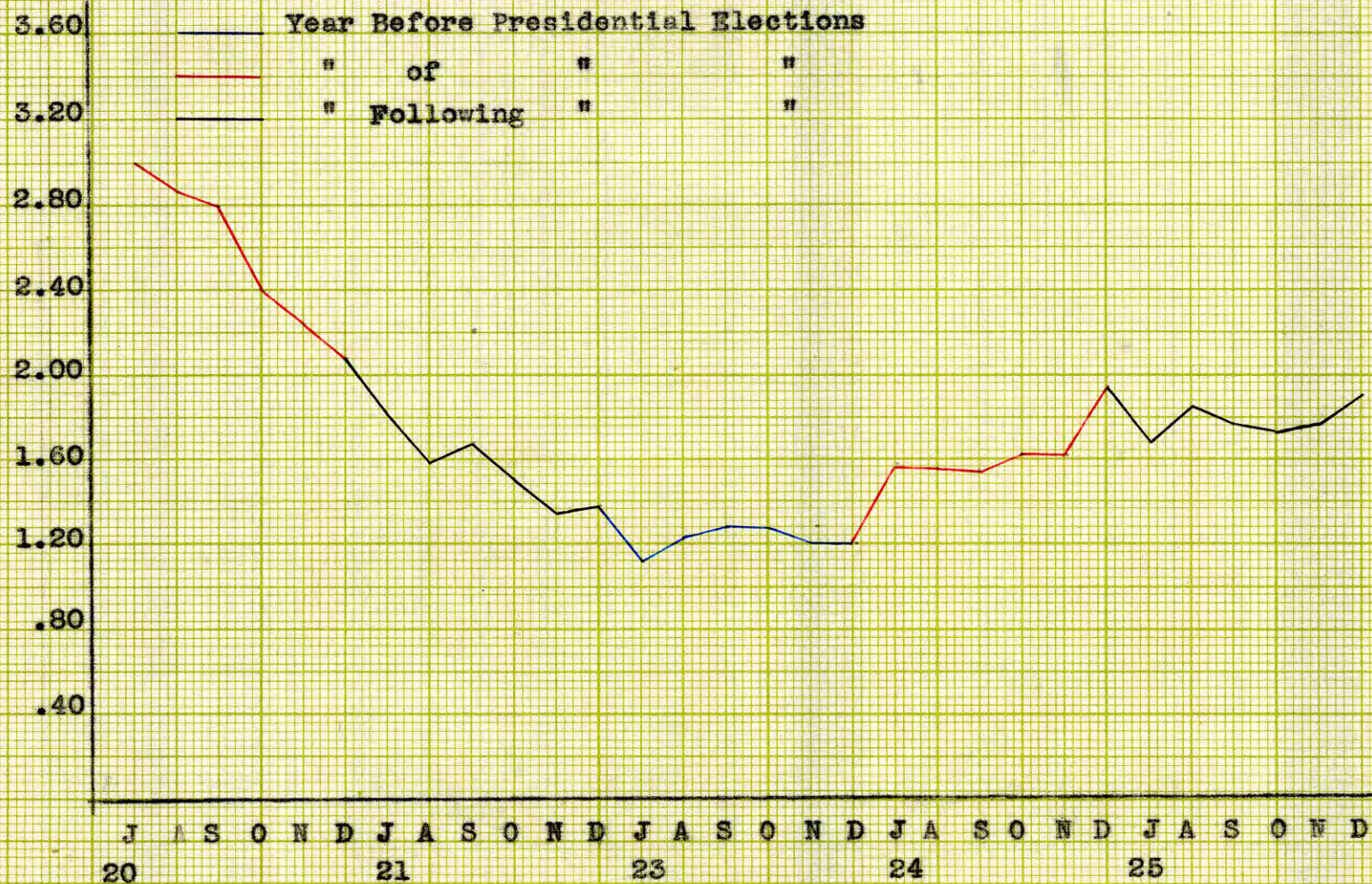


Fig. 3 —(Con't.)



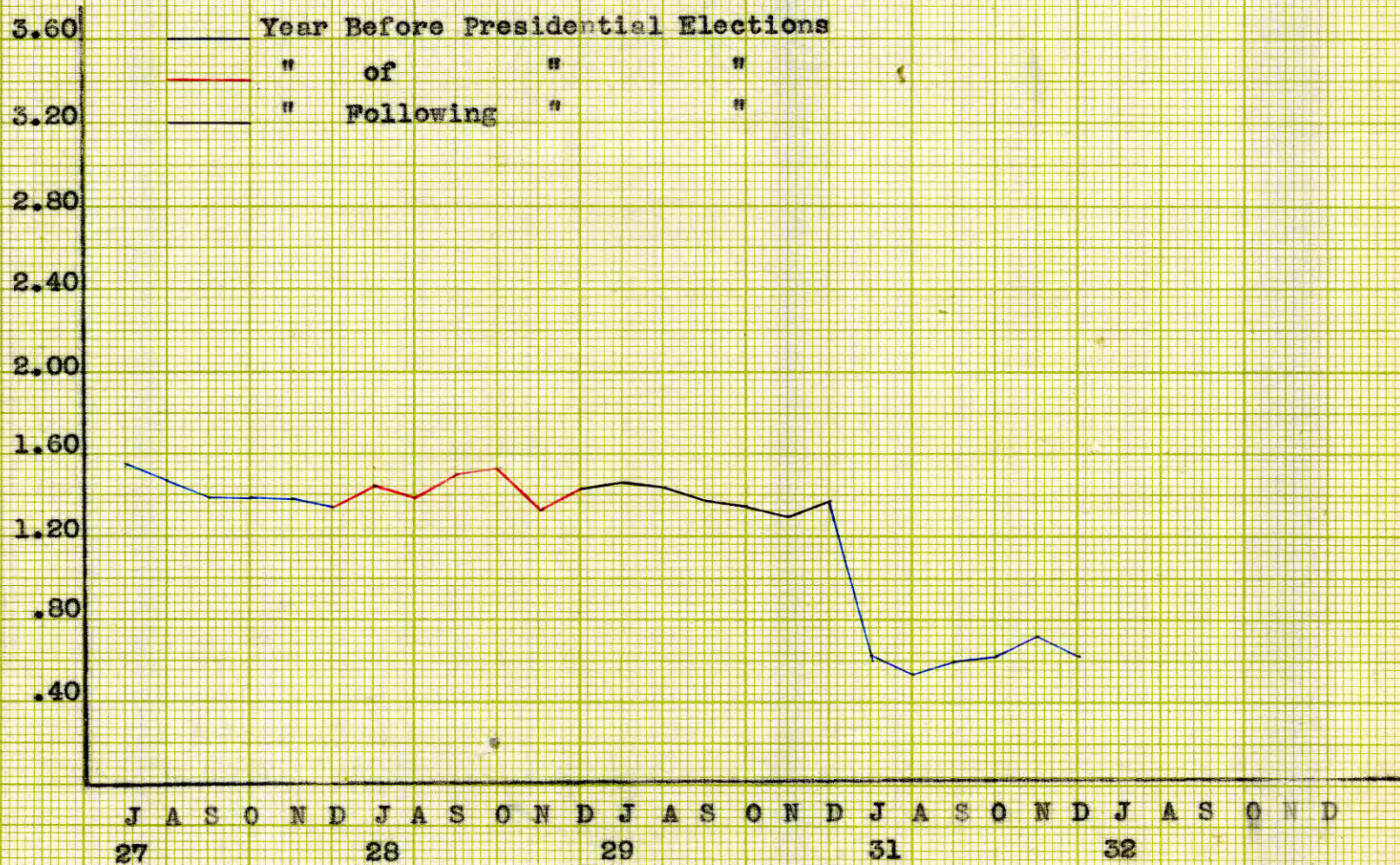


Fig. 3 —(Con't.)



with 44 for the latter three months of the year. The post-election years show the same results as election years, that is, 66 per cent of the time the peak price was in the period from July to September, while the October to December period was 33 per cent of the time. The results in odd years present a little different comparison showing the peak price to be in the July to September period 88 per cent of the time as compared to 11 per cent for the October to December period.

Pre-election, election and post-election years produce results nearly alike. The results in the election years as compared with non-election years are nearly alike. Only twice out of 18 does the peak price in election years, during the latter six months come in November. The same result occurs in pre-election years. The peak price in odd years tends to come during the July to September period oftener than in any of the other years.

#### Comparison of the Bottom Price During the Latter Six Months of the Year in Elec- tion and Non-election Years

A comparison of the bottom price during the latter six months of the year in election years (See Table XVII)

Table XVII. - Comparison of Bottom Price During Latter Six Months of Year in Pre-election, Election, Post-election and Mid-election Years.

Year	Pre-election			Election			Post-election			Mid-election		
Month	No., times	Per cent of times	Comparison July-Sept with Sept-Dec	No., times	Per cent of times	Comparison July-Sept with Sept-Dec	No., times	Per cent of times	Comparison July-Sept with Sept-Dec	No., times	Per cent of times	Comparison July-Sept with Sept-Dec
July	3	16.6)	50	4	22.2)	39	4	22.2)	44	1	5.5)	27.5
Aug	5	27.7)		2	11 )		1	5.5)		2	11 )	
Sept	1	5.5)		1	5.5)		3	16.6)		2	11 )	
Oct	1	5.5)	50	1	5.5)	61	1	5.5)	56	5	27.7)	72.5
Nov	3	16.6)		7	39 )		5	27.7)		5	27.7)	
Dec	5	27.7)		3	16.6)		4	22.2)		3	16.6)	

shows that in election years the bottom price came in the July to September period 39 per cent of the time as compared to 61 per cent for the October to December period. In pre-election years the bottom price came 50 per cent of the time in the July to September period and 50 per cent of the time in the October to December period. In post-election years, the bottom price came in the July to September period 44 per cent of the time, and 56 per cent of the time in the October to December period. In odd years the bottom price came in the July to September period 27.5 per cent of the time as compared with the October to December period when it came 72.5 per cent of the time. Election years ranked second when election and non-election years were compared in the per cent of the time the bottom price was in the October to December period during the latter six months of the year. The bottom price in post-election years was in the October to December period five per cent less of the time, in pre-election years 11 per cent less and 11.5 per cent more of the time in odd years as compared with the percentage in election years. This fact tends to show the relative position of the bottom price of wheat in election and non-election years and helps to uphold the argument of a wheat price in election years being affected mainly by other factors than the election.

Study of May Futures during November by Five  
Day Periods in Election and Non-  
election years

This study was made with the purpose of determining what influence, if any, the election had on wheat prices during a short span of time, namely during the election month. (See Figure 4 also Table XVIII). It was felt that perhaps the election had a small influence, although not large enough to cause any noticeable results a few months prior to or following the election month. A comparison of election and non-election years in November by five day periods shows that in election years during the first five day period the price trend was up twice, down five times and the same twice during the second five day period the price trend was up six times, down three times and the same once. In the third five day period, the price trend was up five times, down twice and the same three times, while in the fourth five day period the trend was up only once, six times down and three times the same. During the fifth five day period the price trend was up three times and down seven times, while in the sixth five day period, the price trend was up twice, down seven times and the same once. Pre-election, post-election and mid-election



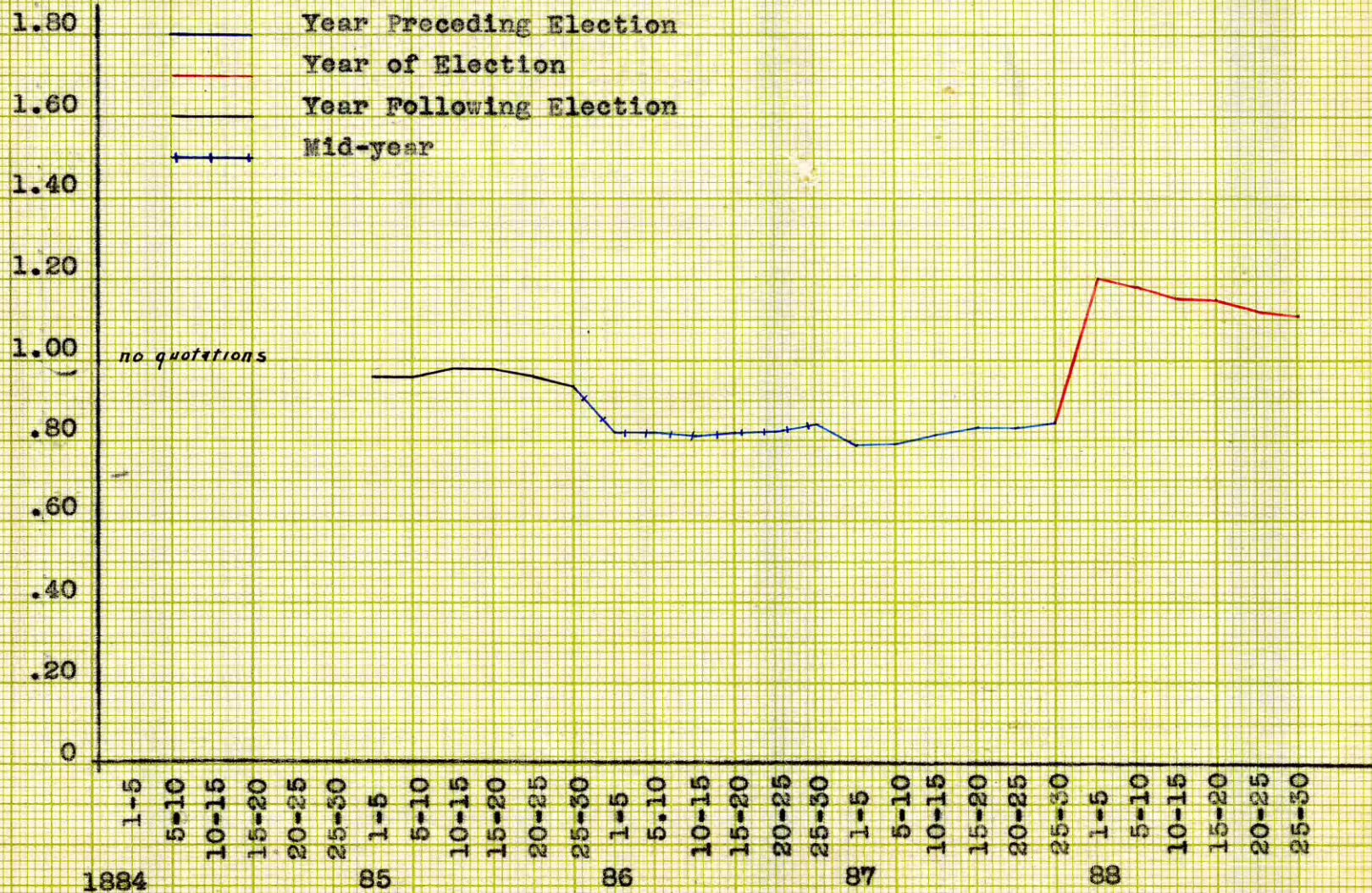


Fig. 4 — May Future Prices in November by Five Day Periods  
in Election and Non-election Years



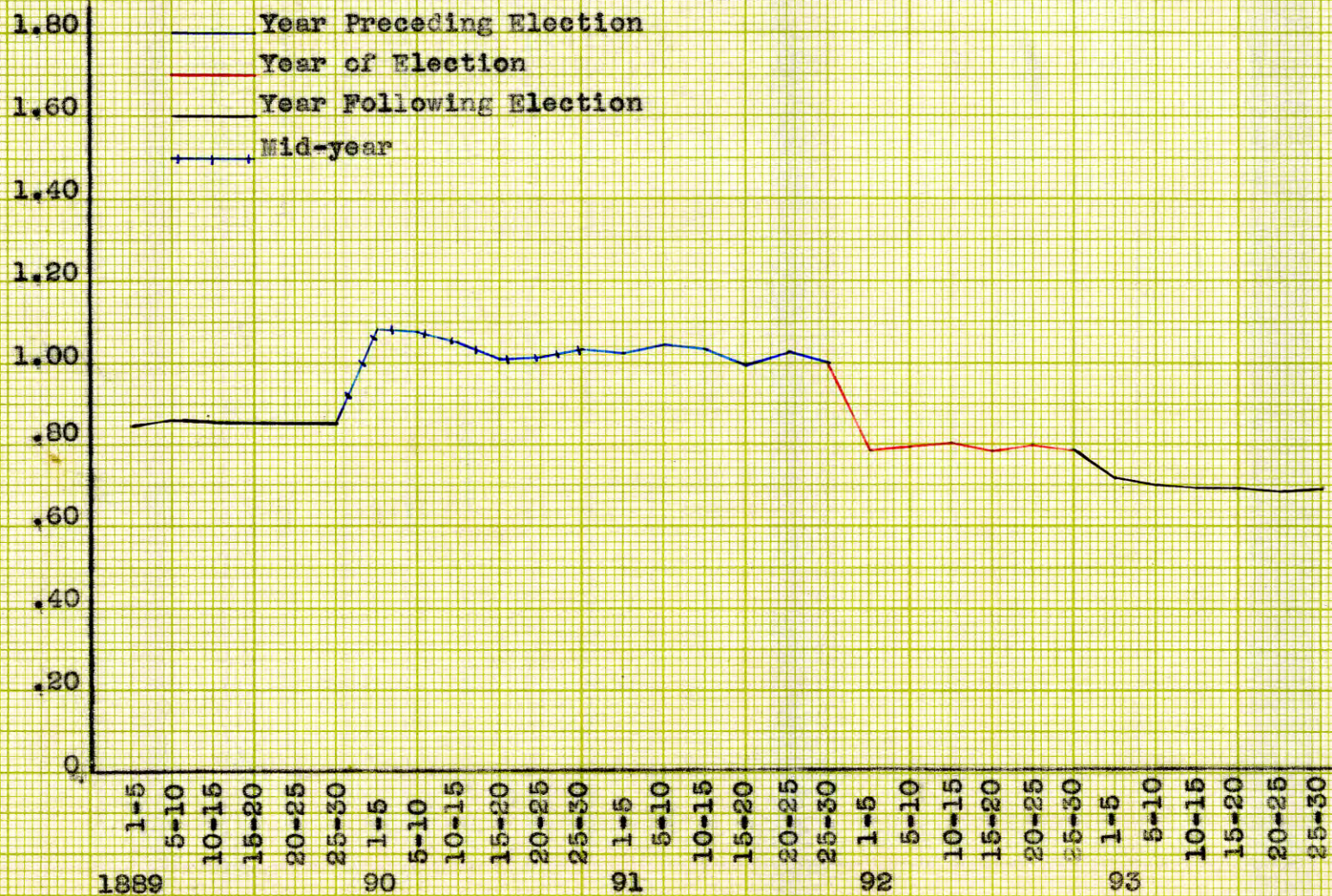


Fig. 4 — (Con't.)



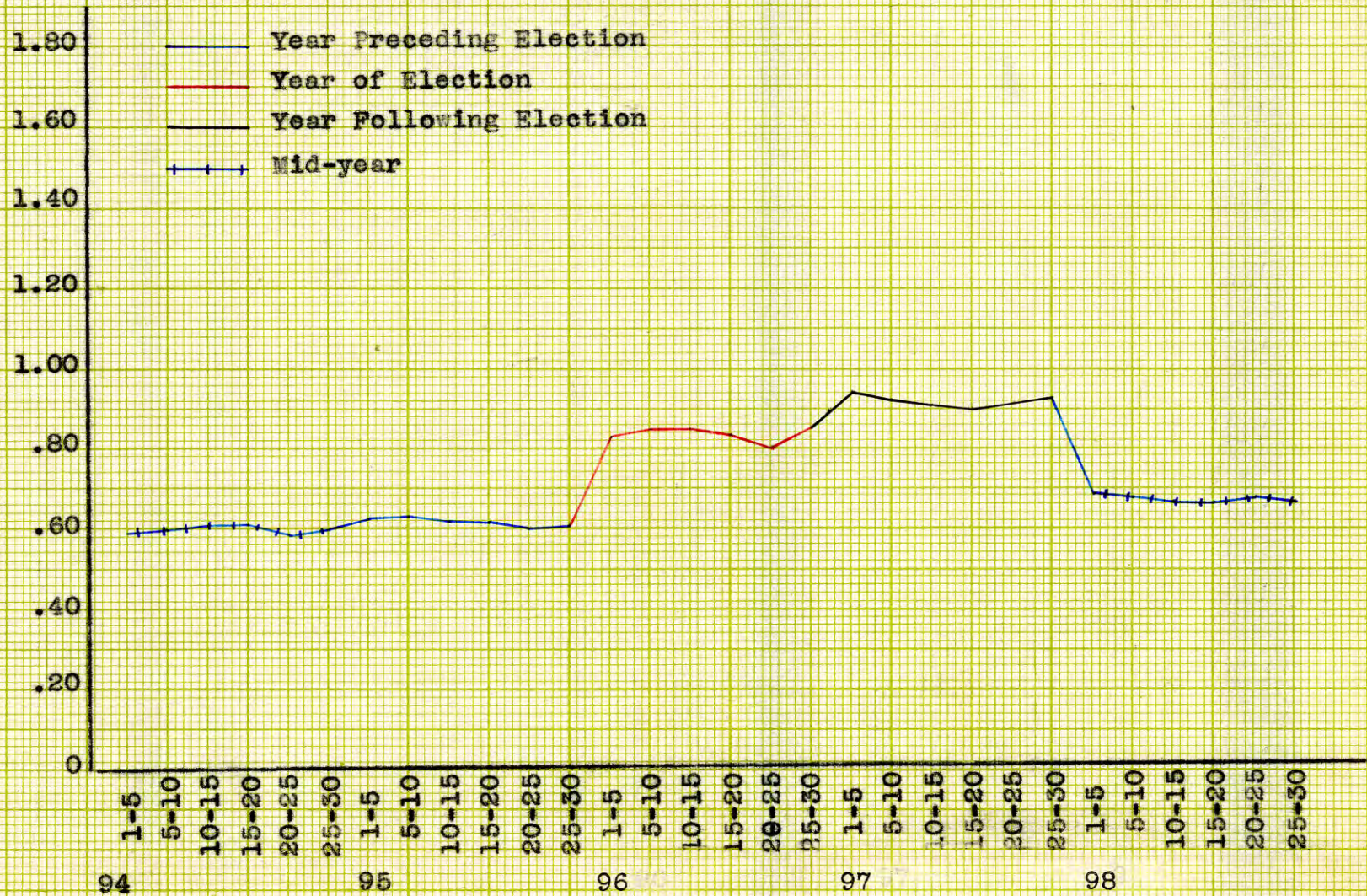


Fig. 4 — (Con't.)



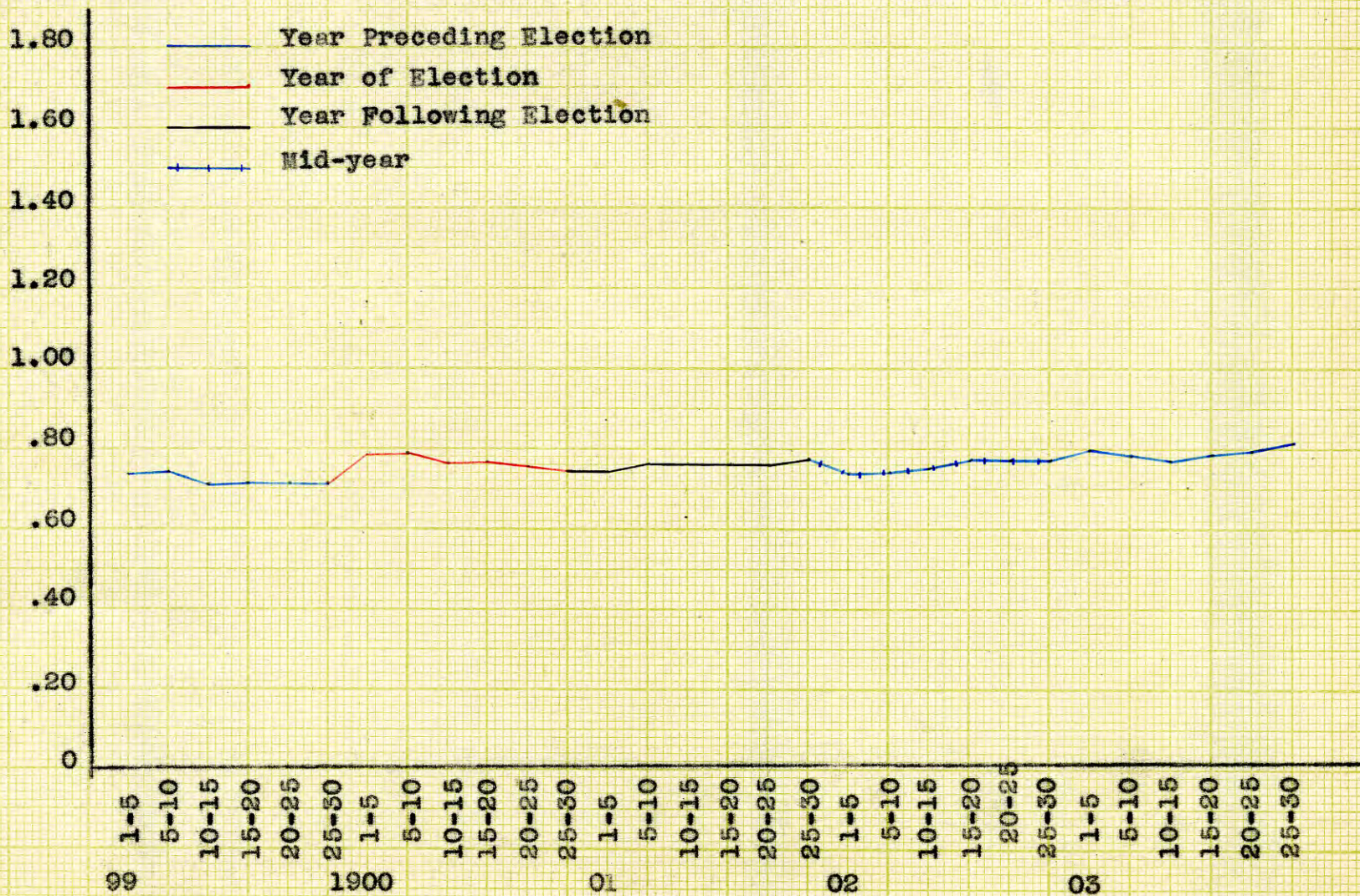


Fig. 4 —(Con't.)



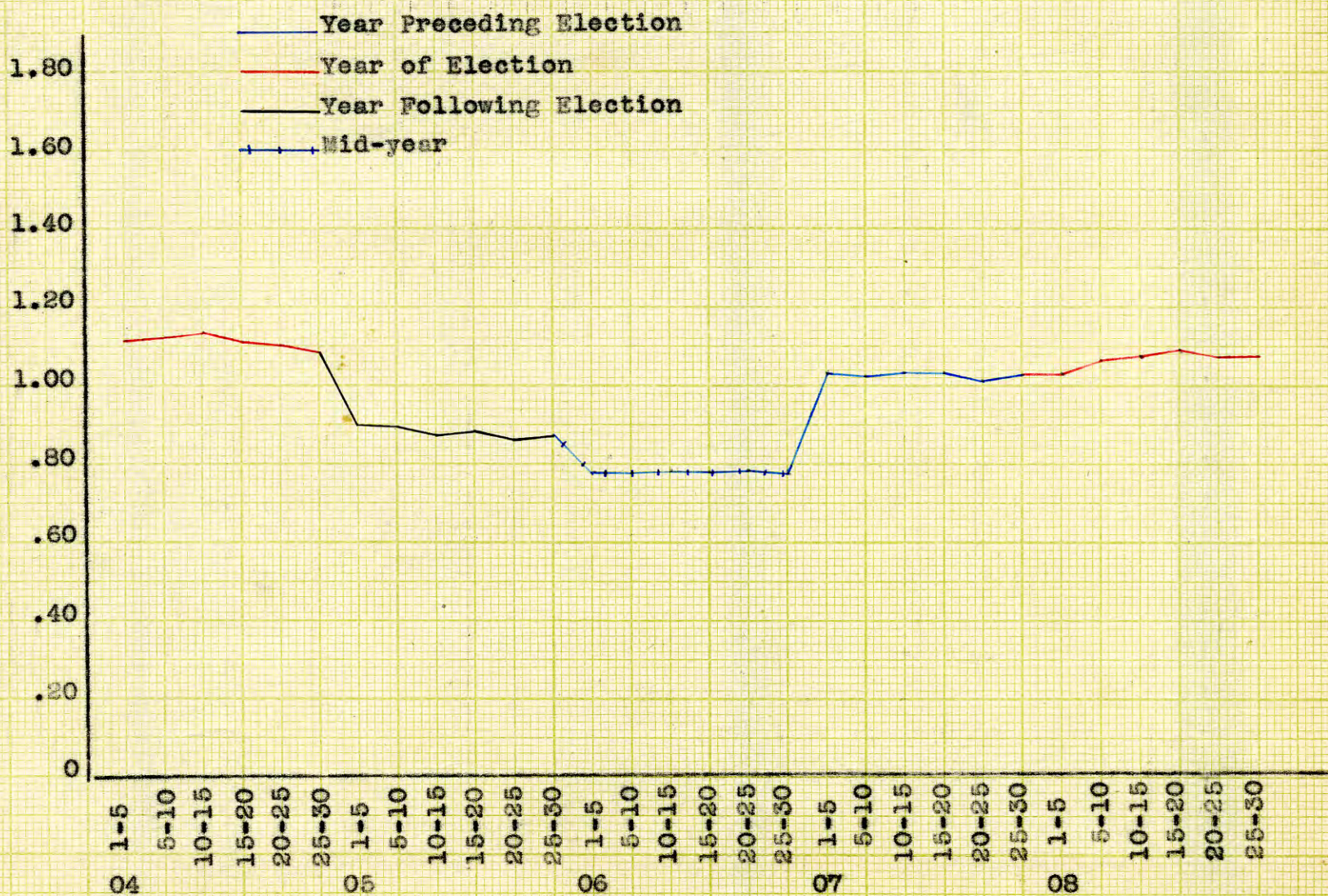


Fig. 4 — (Con't.)



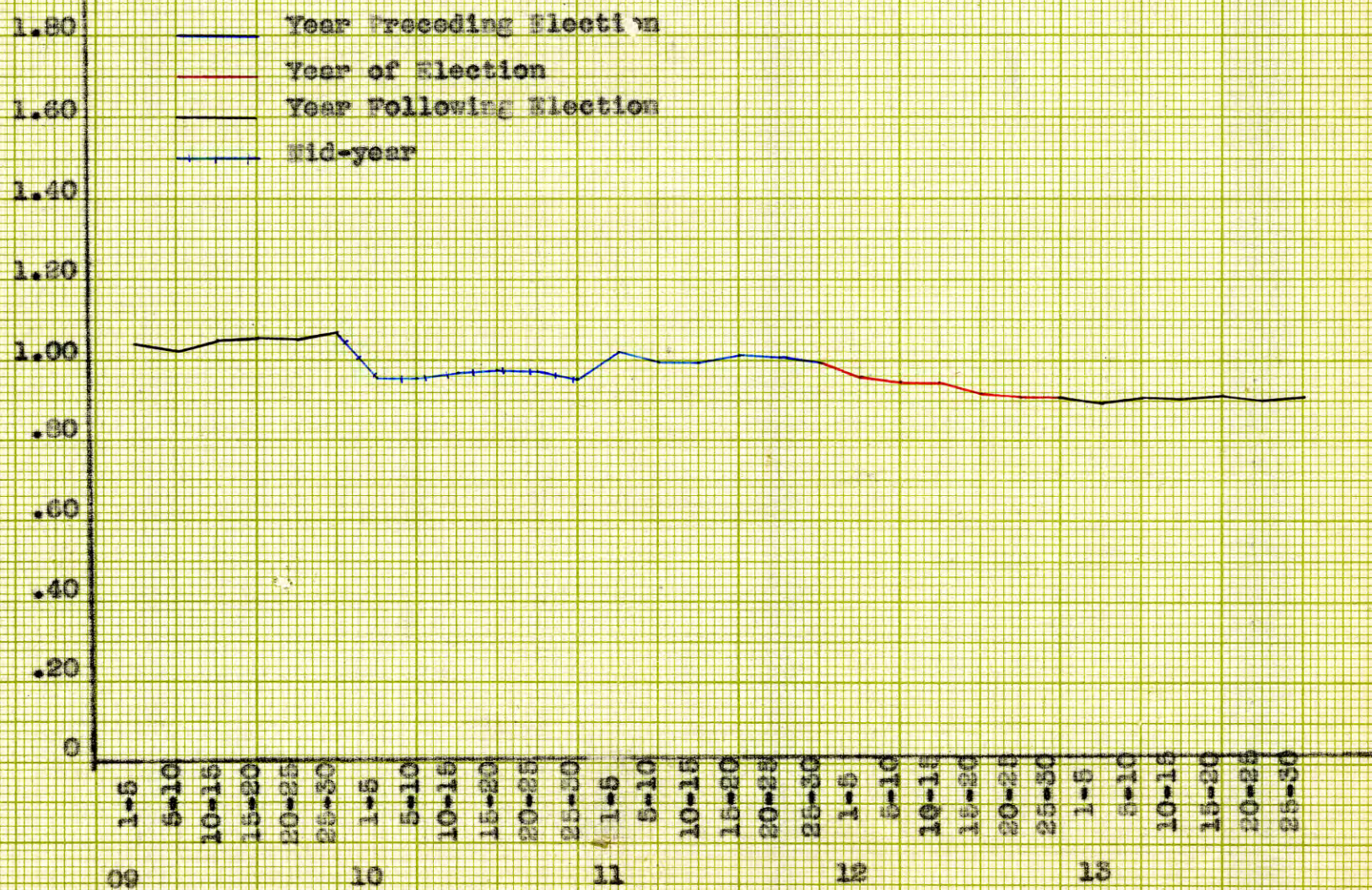


Fig. 4 —(Con't.)



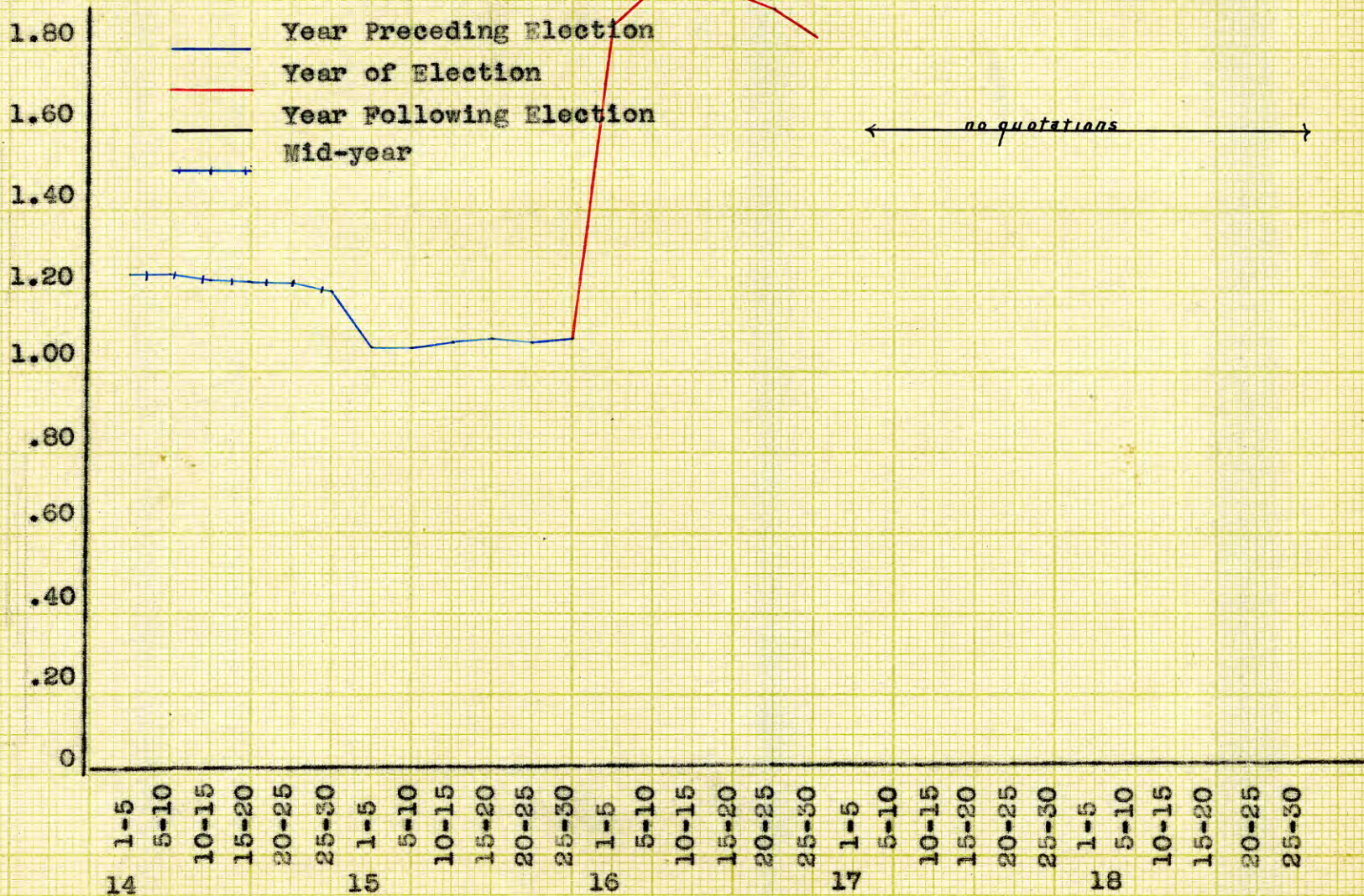


Fig. 4 —(Con't.)



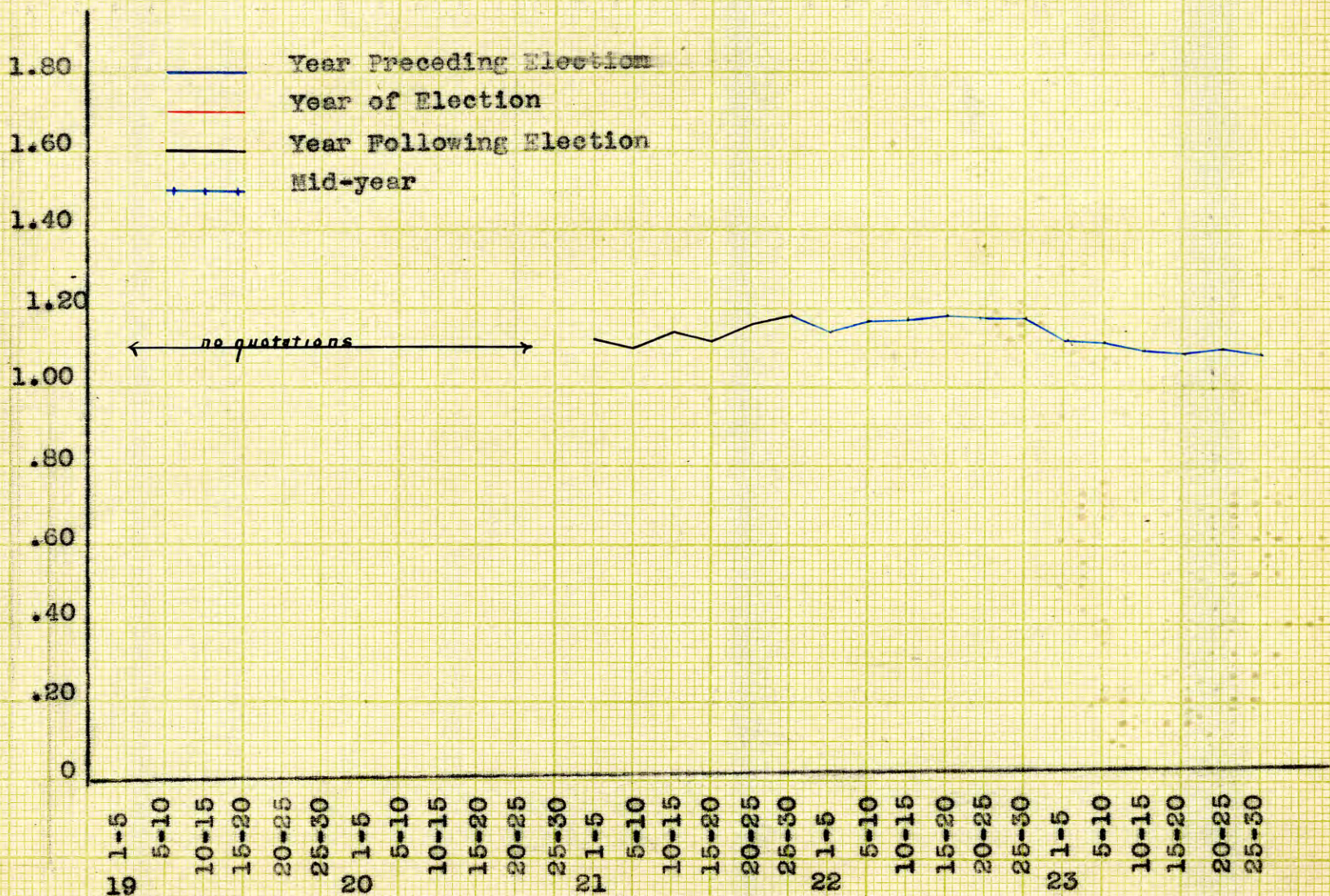


Fig. 4 — (Con't.)



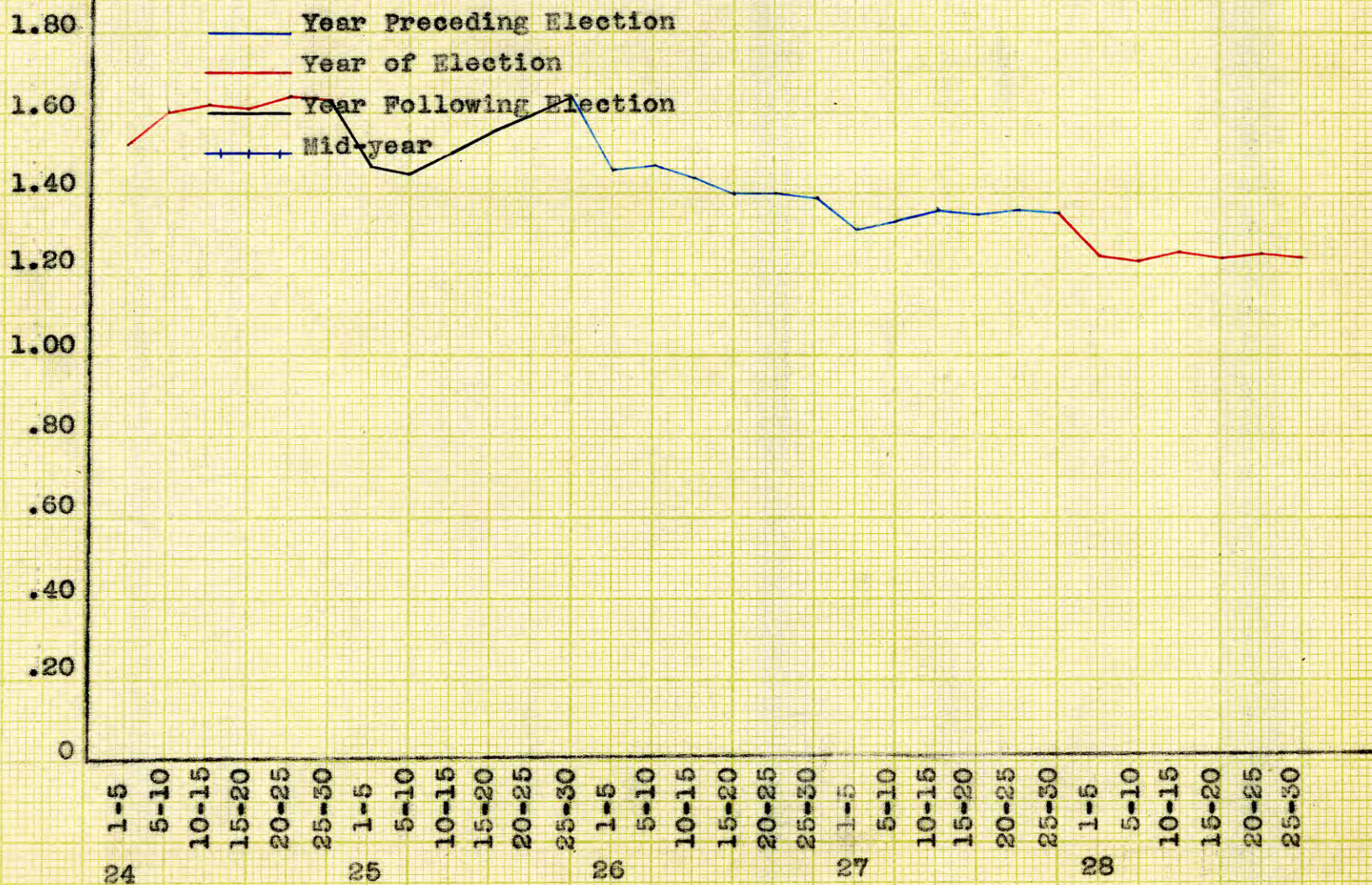


Fig. 4 —(Con't.)



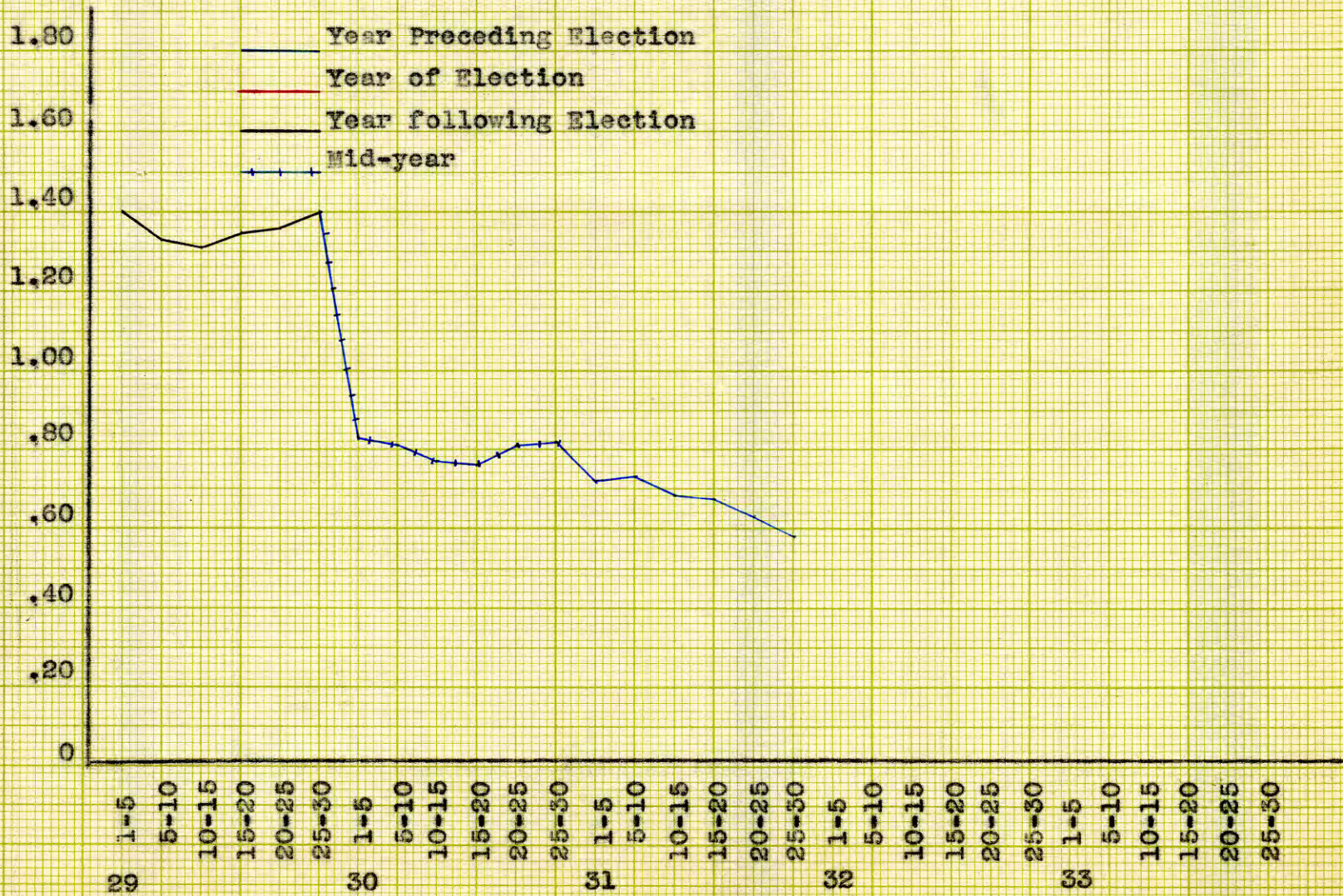


Fig. 4 --(Con't.)



Table XVIII. - Trend of Wheat Prices by five day periods (May Futures in November)  
in election and non-election years.

	1-5			5-10			10-15			15-20			20-25			25-30		
	No., times trend is up	No., times trend is down	Same	No., times trend is up	No., times trend is down	Same	No., times trend is up	No., times trend is down	Same	No., times trend is up	No., times trend is down	Same	No., times trend is up	No., times trend is down	Same	No., times trend is up	No., times trend is down	Same
Pre-election	2	5	3	4	5	3	5	6	1	5	3	4	5	4	3	6	5	1
Election	2	5	2	6	3	1	5	2	3	1	5	3	3	7	0	2	7	1
Post-election	1	6	3	1	8	2	5	4	2	5	2	4	4	3	4	8	2	1
Mid-election	4	5	1	4	4	3	5	6	0	4	4	3	2	2	7	5	4	2

Note: No quotations in 1884 or from 1917-1921.  
No quotations in 1920 for 1-5 day comparison.  
One to five day comparison made from 1888-1932.  
All others from 1883.



years produce no results during the first 15 days comparable to those in election years to show that prices fluctuate in the same way year after year. The price of wheat from November 5-15 in election years is somewhat different and this difference may be attributable to the election. The time when the price trend was up the most was in the period November 5th to 10th. One would naturally expect this if there is any election influence as this period includes the time of, or is the nearest to the time of election day. What influence the election might have on the price of wheat in this brief period, seems to be soon lost as its effects appear less clearly in later five day periods. Furthermore the difference between pre-election, election and mid-election years is small even in the period November 5th to 10th.

### The Ten Year Wheat Price Cycle

Wheat prices over a period of years have tended to reach a peak every nine to 11 years. A majority of the time, the peaks are ten years apart and this major fluctuation in wheat prices therefore may be referred to as the ten year cycle.

With the ten year cycle as a base it is interesting to note what relationship can be found between it and



presidential elections. Do presidential elections affect price movements that make up the ten year cycle, or is it because of the effects of the ten year cycle and the influence behind it that prices in presidential election years react the way they do? It is obvious that, since each election period is only four years in length, it would be impossible for election years and the years when the ten year cycle reached its peak, to fit into one another. It is important to note that if the elections had any major influence on the price of wheat it would tend to throw the cycle into four or eight year periods instead of ten year periods. Since the approximately ten year cycle in wheat prices has persisted for a long time and has not been pulled out of line by presidential elections it is important to know if any relationship exists, and if so, what, between the ten year cycle and election years.

Relationship Between Time of the Peak Price  
in the Last Six Months of the Year in  
Peak Cycle, Election and Mid-  
election Years

A comparison of the peak wheat price during the latter six months of the year in the peak cycle, election and mid-



election years (See Table XIX) shows the peak wheat price during the July to September period in the peak cycle or tenth year 71 per cent of the time and 28 per cent of the time in the October to December period. In election years, the peak wheat price, was in the July to September period  $66 \frac{2}{3}$  per cent of the time and in the October to December period 33 per cent of the time. In mid-election years, the peak price was in the July to September period 89 per cent of the time and in the October to December period 11 per cent of the time. The peak price during the July to September period, came oftener in mid-election years than in peak cycle or election years. The mid-election years came in the peak cycle years once, while election years came in the peak cycle years twice. Although election years came in peak cycle years twice as compared to once for mid-election years, the peak price in election years came in the July to September period less times than in either peak cycle or mid-election years. The peak price was in the October to December period 33 per cent of the time in election years as compared to 28 per cent of the time for peak cycle years and 11 per cent of the time for mid-election years. There seems to be a slight tendency for the peak price in election years to come in the latter three months period oftener than in peak cycle or mid-election years. The difference is not marked, however.



Table XIX. — Comparison of the Peak Wheat Price During the Latter Six Months of the Year in Peak-cycle, Election and Mid-election Years.

Year	Peak-cycle			Election			Mid-election		
Month	No., times	Per cent of times	Comparison July-Sept with Oct-Dec	No., times	Per cent of times	Comparison July-Sept with Oct-Dec	No., times	Per cent of times	Comparison July-Sept with Oct-Dec
July	1	14)	71	7	39 )	66 2/3	11	62 )	89
Aug	3	43)		3	16 2/3)		3	16 )	
Sep	1	14)		2	11 )		2	11 )	
Oct	1	14)	28	3	16 2/3)	33	1	5.5)	11
Nov	0	0)		2	11 )		0	0)	
Dec	1	14)		1	5 1/2 )		1	5.5)	

Election years come in the peak cycle years one more time and the peak price in election years is in the July to September period less time than in either peak cycle or mid-election years. Because of this result the effect in election years is shifted to the latter three months of the year.

A comparison of the bottom price during the latter six months of the year in the peak cycle, election and mid-election years (See Table XX) shows the bottom price in election years in the July to September period 39 per cent of the time as compared with the October to December period when the bottom price was 61 per cent of the time.

In peak cycle years, the bottom price was in the July to September period 28 per cent of the time and in the October to December period 71 per cent of the time. The bottom price in mid-election years was in the July to September period 27.5 per cent of the time and 72.5 per cent of the time in the October to December period. The bottom price was in the July to September period in election years a greater per cent of the time than in peak cycle and mid-election years, leaving a lower per cent of time for the bottom price to be in election years in the October to December period.

This study shows that if prices are low in election



Table XX. — Comparison of the Bottom Price During the Latter Six Months of the Year in the Peak-cycle, Election and Mid-election Years.

Year	Peak-cycle			Election			Mid-election		
Month	No., times	Per cent of times	Comparison July-Sept with Oct-Dec	No., times	Per cent of times	Comparison July-Sept with Oct-Dec	No., times	Per cent of times	Comparison July-Sept with Oct-Dec
July	1	14)	28	4	22.2)	39	1	5.5)	27.5
Aug	0	0)		2	11 )		2	11 )	
Sep	1	14)		1	5.5 )		2	11 )	
Oct	3	43)	71	1	5.5 )	61	5	27.7)	72.5
Nov	2	28)		7	39 )		5	27.7)	
Dec	0	0)		3	16.6)		3	16.6)	

years they occur in the October to December period less often than in peak cycle and mid-election years. It also shows the tendency of peak prices in election years to fall in the October to December period oftener than those in peak cycle and mid-election years. There is a slight tendency in either case in favor of election years.

**Comparison of Wheat Prices by Months in Per  
Cent of Yearly Average in Election and  
Non-election Years**

A comparison of wheat prices by months in per cent of the yearly average (See Table I Appendix) shows the January to June price in election years to be lower than the yearly average price by months from January to June in non-election years. The July and September price in election years is higher as compared with the non-election years. All other months tend to be nearly the same in election years as compared with non-election years. The range in prices, as expressed in per cent of the yearly average, was wider for election years in September and July than in non-election years. An analysis of this study shows wheat prices as expressed in per cent of the yearly average to be the same in election years as



compared with non-election years except in July and September two strong price months when the comparison showed election years to be a trifle higher than non-election years.

Comparison of Wheat Prices by Months for Pre-  
peak, Peak, Post-peak and Mid-cycle Years  
of the Ten Year Cycle in Per Cent of  
Mid-cycle Averages

This comparison was made of wheat prices by months in per cent of the mid-cycle years to bring out as strongly as possible the high prices in peak years as compared with the pre-peak, post-peak and mid-cycle years. ( See Table II Appendix). In 11 out of 12 months according to the above comparison, prices in peak years were higher than pre-peak, post-peak or mid-cycle years. The price in the remaining month was equalled by that in a post-peak year. Prices in peak years covered a wide range in nearly every case.

A graphical representation of the average wheat price by months for the peak and non-peak years in per cent of the mid-peak average (See Figure 5) shows relative prices in peak and non-peak years when compared with each other.



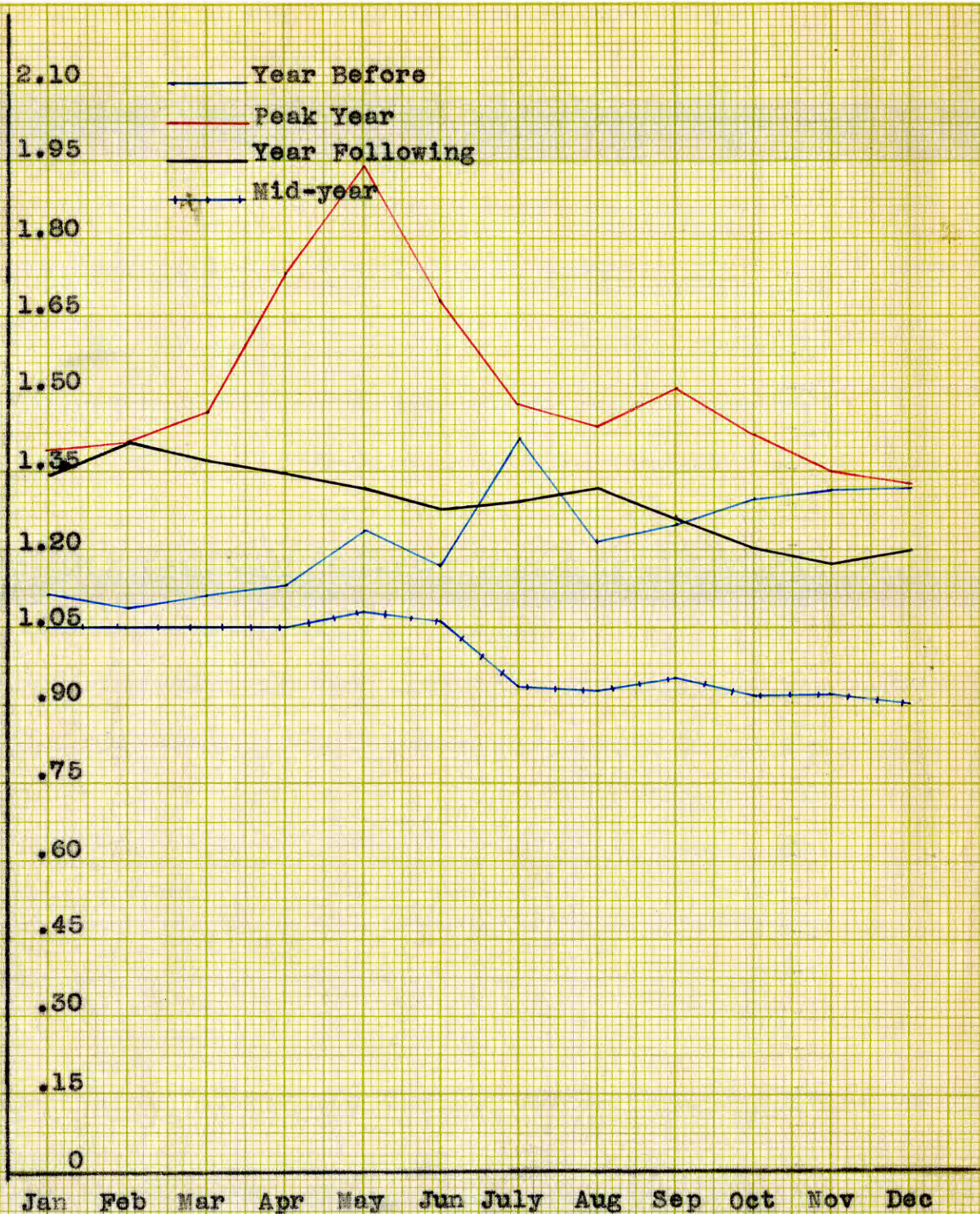


Fig. 5 —Graphical Representation of the Average Wheat Price by Months for Year Before, Peak Year, Year Following and Mid-year in Per Cent of Mid-year Average.



Wheat prices in peak years of the ten year cycle are outstanding. Prices in post-peak and mid-peak years tend to go along rather steady with only slight changes while prices in per cent of mid-year average for pre-peak years and peak years show widest fluctuations.

#### Comparison of Wheat Prices in Peak and Election Years

A graphical representation of peak-cycle and election years was made to show the relationship of prices in peak-cycle years and election years. (See Figure 6). Wheat prices in election years fit in the price trend and caused no undue fluctuations to occur. Prices in some election years fell in the trough in the wheat price cycle, others in the peak. Only in a few cases does the election ever appear at the peak of any price trend, and then it may happen to come in a peak year or may be caused by some large disturbance.

These comparisons of prices in election years in relation to the ten year wheat price cycle, show the weakness in the idea of better wheat prices in election years. When prices in election years were compared with peak-cycle and mid-election prices during the latter six months





Fig. 6 — A Graphical Representation of Wheat Prices in Peak and Election Years.



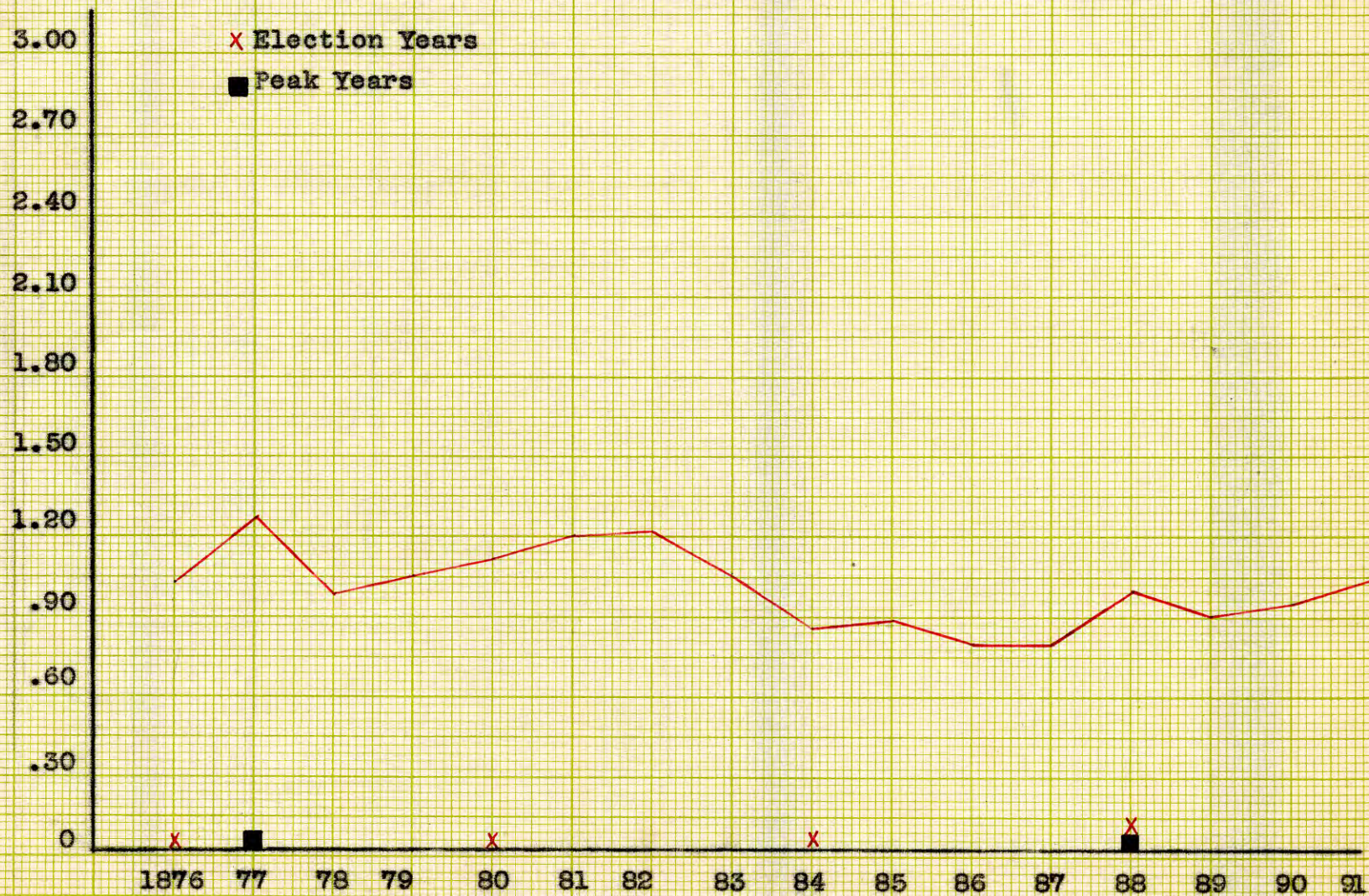


Fig. 6 —(Con't.)



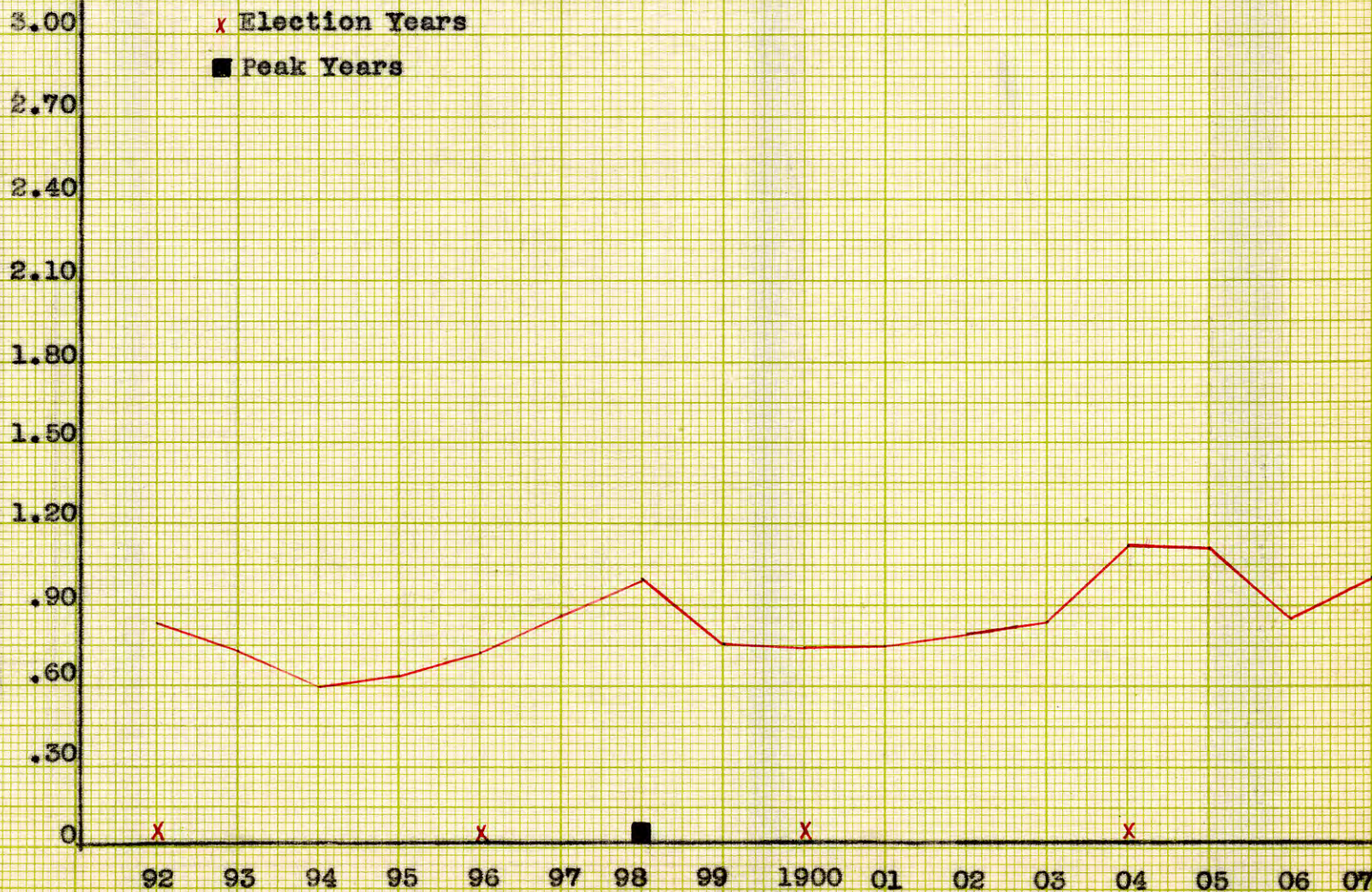


Fig. 6 —(Con't.)



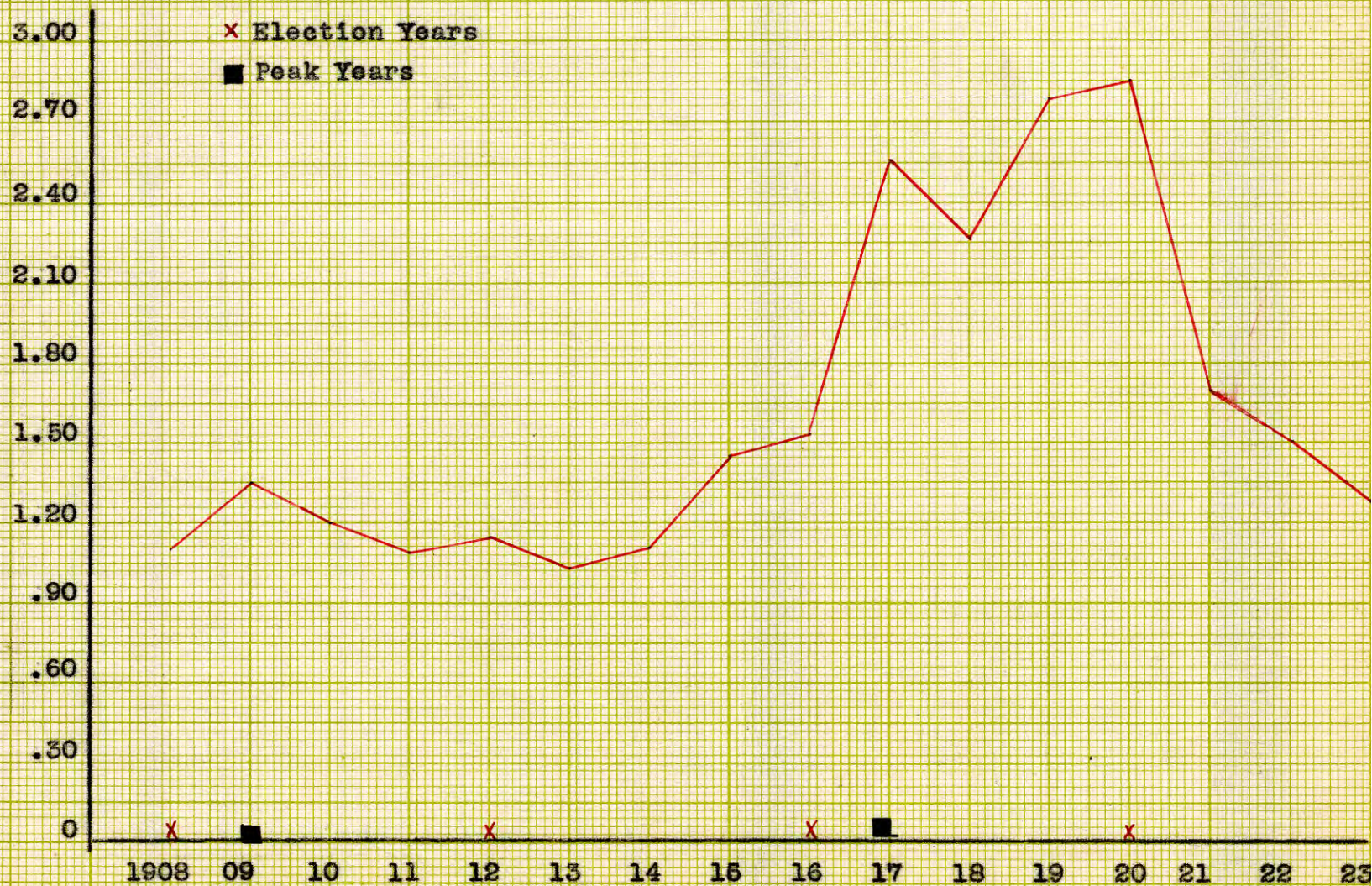


Fig. 6 —(Con't.)



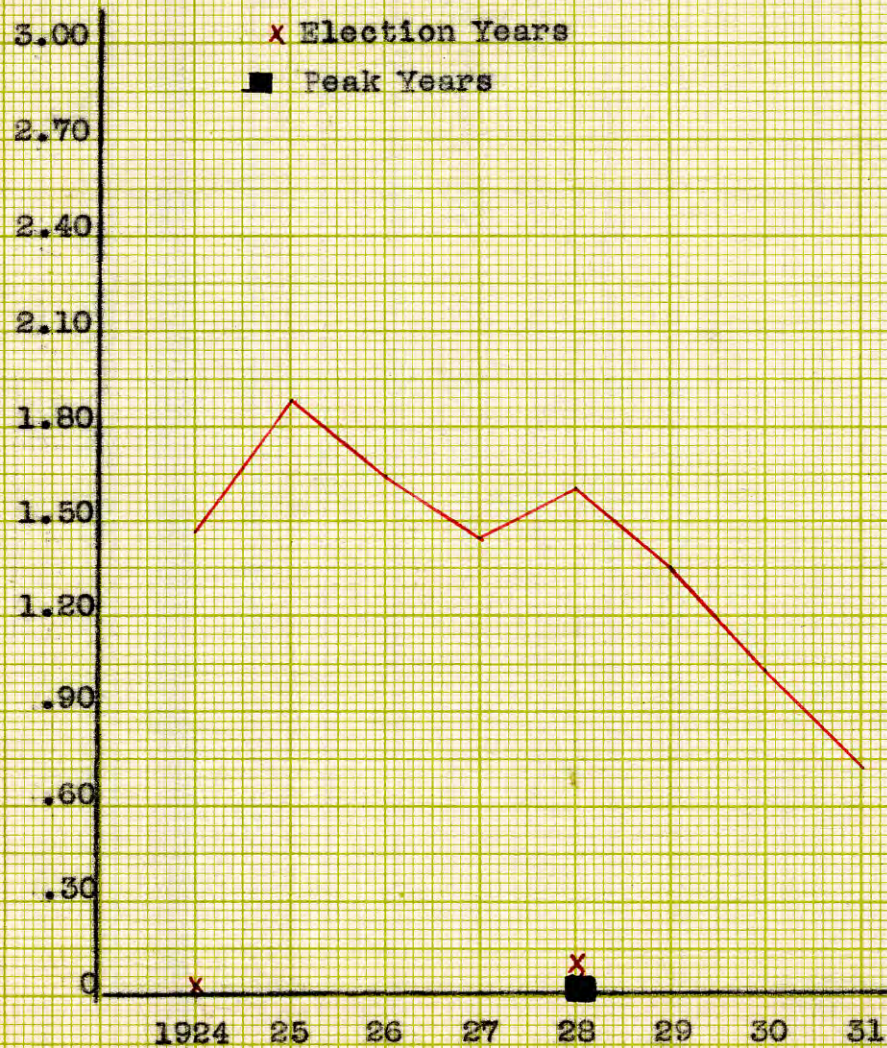


Fig. 6 —(Con't.)



of the year there was very little difference in the time when the peak price came. Other comparisons show wheat prices in election years to be along the general price trend rising only in regular intervals of approximately ten years. Occasionally the election and peak price year came in the same year of the ten year wheat cycle and in this case there are high prices in the election year but since this happens so infrequently little attention can be given to the prospect of high prices in election years.

Prices in election years do not tend to put a temporary boom in the general price cycle. This cycle goes through election years rather smoothly, unless some major disturbance causes wheat prices to fluctuate or drop, and reaches its height approximately every ten years.

The monthly deviations of wheat prices from their yearly average are little different in election than in non-election years. (Table I Appendix) On the other hand monthly deviations of wheat prices in different portions of the ten year wheat price cycle from the mid-year average are wide indicating a strong influence making for differences. (Table II Appendix).



## SUMMARY

### The July Price Compared with the September October Price in Election and Non-election Years

The July price as compared with the September-October high price is little different in election years as compared with non-election years. In some cases, results in election years might indicate the election years as abnormal but what advantage it might show is not decisive enough to warrant one to place much stress upon it. The number of times that prices are higher in election years come more frequent when the July prices of the year before or after are compared with the September-October prices in election and non-election years and not where July is compared with the current September-October price.

Results of this study since 1888 are similar to the results over the longer period from 1860-1931. This can be taken as an indication that people are not becoming more conscious of political influences in markets as some have suggested. A comparison of the July price one year later with the September-October price in election years showed favorably toward a stronger price in election years. Other comparisons showed negative results in a far greater



majority.

A comparison of the September-October price with the September-October price of the year before and year after showed the September-October price no different from that of any other year. The September-October price in pre-election years was higher than the September-October price in election years eight times as compared with prices in post-election years, which were higher 11 times.

#### **The Relation of Election Years to Advancing and Declining Periods in Price**

Election years appear to have no effect in bringing the price trend to a peak or if declining, changing its direction. At no time did the minor up or down trend in prices of two or three years duration reach their peaks or bottom of their troughs in election years. Two out of 18 times, the price trend reached its peak within three months of the election but this would have probably happened in spite of the election. Since this only happened in two of 18 times, and when it did it did not come closer than within three months of the election it is quite evident that elections have no effect on advancing and declining price trends.



A comparison of July to September with October  
to December Peak Wheat Price When Price  
was in Uptrend in Election and Non-  
election Years

The peak price, when price was in the uptrend, came in the September to December period in pre-election and post-election years more often than in election years. The peak price in election years was in the July to September period 50 per cent of the time and in the September to December period 50 per cent of the time. As pre-election and post-election years have the peak during the latter three months more often, it becomes more evident that election years do not affect wheat prices when price is in the uptrend.

A Comparison of July to September with October  
to December Peak Wheat Price When Price was  
in the Downtrend in Election and Non-  
election Years

The peak wheat price, when price was in the downtrend, in election and non-election years during the September to



December period, came only in pre-election years. The time the peak price came in pre-election years was greater than that in election years. Non-election years tend to dominate over election years in the number of times the peak price is in the September to December period. This brings out another weakness of the higher price argument in election years.

Relationship of the September Price to the July  
Price and of the December Price to the Sep-  
tember Price in Election and Non-elec-  
tion Years

A comparison of July prices to September prices does not prove anything in favor of the September price but instead the election, post-election and mid-year prices were higher in July. The results did not show prices to be different in the election years as compared with non-election years.

A study of the price spread between September and December in election and non-election years showed the December price to be lower a greater number of times in all years. In election years, the price in December was lower than September more times than in pre-election or



post-election years. The number of times, the December price in election years is higher than the September price is less than the number for all other years.

#### **Relationship Between World and United States Production and United States Prices**

World production has more effect on United States prices than has United States production. The United States, being one of the major wheat producing countries, would have some effect on prices but the production in other leading wheat countries must be given consideration. Presidential elections are only of national importance while the production that affects the wheat price most is an international affair; since one takes in so much more than the other, a national affair could not be expected to affect materially the price of wheat.

#### **Comparison of the Peak and Bottom Price During the Latter Six Months of Year In Election and Non-election years**

The peak price during the latter six months of the year in election and non-election years came no oftener in election years than non-election years in the July to

September period, neither did it come any oftener in the September to December period. The peak price, during the September to December period came oftener in pre-election years. The amount of time the peak came in the September to December period in November was twice in election years and twice in pre-election years.

The bottom price during the latter six months of the year in election and non-election years for the July to September period came 39 per cent of the time in pre-election years and 44 per cent of the time in post-election years. In the September to December period, the bottom price came the largest amount of time in mid-years, the second largest in election years, third largest in post-election years and the least amount of time in pre-election years. Election years fall in near the average for the group or, in other words, the election year is an ordinary year.

#### Study of May Futures During November by

#### Five Day Periods in Election and Non-

#### election Years

The period from November 5-15 is important when the question of the effects of the election on wheat prices is considered. The price trend by five day periods shows the



first five day period up two times, down five times and the same twice, during the next five day period, which usually includes the election or is near it, the price trend was up six times, down three times and the same once. During the third five day period, the price trend was up five times, down twice and the same three times. In the fourth five day period the trend was up only once, down six times and the same three times. November 5-15, in election years, is influenced by the election, but it is temporary and only lasts a few days. By the latter part of November the effect has been lost and price again takes up its normal trend.

### THE TEN YEAR CYCLE

#### Relationship Between the Time of the Peak Price in the Last Six Months of the Year in Peak Cycle, Election and Mid-election Years

Election years come in the same years as do peak years twice, while mid-election years come in peak years only once. The peak price came oftener in the July to September period in mid-election years than peak or election years. As mid-election years come the same year as peak years only once, and peak years come in election

years twice we would expect a higher average price in election years as compared with mid-election years. The peak price a greater per cent of the time does occur but at different times in the year. The peak wheat price is in the October to December period a little oftener in election years. The comparison also shows a tendency for peak wheat prices in peak and election years to come near the latter end of the year oftener as contrasted with peak wheat prices in mid-election years which tend to come during the July to September period.

Comparison of Wheat Prices by Months in Per  
Cent of Yearly Average in Election and  
Non-election Years

Wheat prices, when compared by months in per cent of the yearly average, in election years, from January to May, were lower as compared in the same manner for corresponding months in non-election years. July and September prices in election years were higher than those in non-election years. The range in prices in these two months was also wider than the range in corresponding months in non-election years. Outside of July and September prices, the prices, in other months in election years expressed



in per cent of the yearly average, are similar to those in non-election years.

Comparison of Wheat Prices by Months for  
Pre-peak, Peak, Post-peak and Mid-  
cycle Years in Per Cent of  
Mid-cycle Averages

In eleven out of the twelve months, the average price in peak years was higher than the average for non-peak years. Prices in peak years covered a wider range in price than non-peak years. A graphical representation of peak and election years showed where prices in election years fell in the general price trend. Wheat prices tend to rise to a peak approximately every ten years and are not affected by elections.

## CONCLUSIONS

Wheat prices in a long time price trend tend to reach their peak approximately every nine to 11 years but presidential election years do not have any influence in determining the year in which the peak price occurs.

Wheat prices advance and decline in minor cycles of from a few months to one to three years in length and show no relationship to presidential elections by reaching their peak the same month of the election.

Wheat prices from November 5-15 in election years are higher than wheat for the corresponding period in non-election years a greater proportion of the time. This can be taken as some indication that wheat prices, within a few days before, and after elections, are higher but not consistently so in every election year.

Peak and bottom prices during the latter six months of the year do not come in the October to December period oftener in election years than in non-election years.

Any influence of the national elections on wheat prices is confined to small fluctuations of rather short duration just before and after election time.



Wheat prices show less correlation with election years than do hog prices which tend to have a four year cycle because the conjuncture between a ten year wheat cycle and a four year election cycle are less frequent.

#### ACKNOWLEDGMENT

The writer wishes to express his appreciation to Professor R. W. Green, his major instructor, whose guidance, cooperation and criticisms have made this thesis possible; to Dr. W. E. Grimes, whose valuable criticisms have aided in its completion; and to the departmental organization whose cooperation has been greatly appreciated.

## BIBLIOGRAPHY

Knappen, Theodore. Do Presidential Years Bring Good Business? Magazine of Wall Street. Volume XLI. pages 833-835. March 10, 1928.

Miller A. T. How do Presidential Campaigns Affect the Stock Market? Magazine of Wall Street. Volume XLI. page 316. December 17, 1927.

Fowler, Dudley. Business in Presidential Election Years. A Radio Talk. Commerce and Finance Chronicle. Volume 118, page 2384. May 17, 1924.

Literary Digest. Politics and the Stock Exchange. Volume 114, pages 42-43. October 1, 1932.

Commerce and Finance. Presidential Elections and Business. Volume 21, page 1273. October 19, 1932.

Miller, A.T. Magazine of Wall Street. The Market from Now Until Election. Volume 50, page 636-637. October 1, 1932.

Bradstreet's Weekly Prosperity Prospects After Election. Volume 60, page 1477. November 12, 1932.



Table I. - Wheat Prices by Months in Per Cent of Year Average. 1860-1878 High and Low. 1878-1932 Monthly High.

Per cent	January				February			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
160								
150								
140								
130								
120		x	x x	x		x	x x	x
110	x	x	x x	x x	x x	x x	x x	x x
100	x x x x	x	x x x x	x x x x	x x x x	x x x x	x x x x	x x x x
90	x x x x	x x x	x x	x	x x x x	x x x x	x x	x x
80	x x x	x x	x x	x x	x x	x x	x x	x x
70	x	x				x		
60				x				x
50								
Ave.	96	93	103	101	99	98	103	100



Table I. - (Con't.)

Years	January				February			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
1860-								
1862	---	104	104	86	---	104	103	93
63-66	97	74	123	64	109	74	110	62
67-70	106	99	102	85	103	122	103	87
71-74	95	98	105	112	103	99	105	109
75-78	87	96	100	109	83	99	101	108
79-82	83	121	83	111	90	113	83	109
83-86	99	113	93	107	107	113	91	104
87-90	101	81	115	83	100	77	121	82
91-94	94	111	108	107	96	112	105	103
95-98	86	94	93	111	81	97	88	109
99-02	101	90	101	102	100	92	100	97
03-06	94	85	110	107	96	99	113	104
07-10	76	93	85	107	87	91	94	108
11-14	102	100	112	89	98	101	109	88
15-18	107	91	80	97	116	90	80	97
19-22	88	123	122	93	85	98	120	103
23-26	102	85	108	116	118	88	115	118
27-30	103	91	107	126	102	96	110	121
31-34	115	--	---	---	110	--	---	---



Table I. - (Con't.)

Per cent	March				April			
	Pre- election	Election	Post- election	Mid- election	Pre- election	Election	Post- election	Mid- election
160								
150								
140								
130						x		
120							x	x
110	x x x	x x x	x x x	x x x	x x x	x x x	x x x	x x x
100	x x x	x x x	x x x	x x x	x x x	x x x	x x x	x x x
90	x x x	x x x	x x x	x x x	x x x	x x x	x x x	x x x
80		x x x	x x x	x x x		x x x		x x x
70		x x x						
60				x				
50								
Ave.	102	96	101	99	103	100	103	102

Table I. - (Con't.)

Years	March				April			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
1860-								
1862	---	109	105	95	---	112	118	93
63-66	109	73	102	67	104	80	90	71
67-70	111	118	101	62	105	119	104	86
71-74	103	97	103	112	107	100	102	109
75-78	112	104	98	111	89	99	112	113
79-82	91	113	87	112	87	104	88	117
83-86	105	85	91	103	110	112	105	102
87-90	101	77	118	86	106	83	111	96
91-94	102	110	111	101	113	105	122	108
95-98	87	97	87	108	100	97	90	125
99-02	100	90	101	96	103	92	100	97
03-06	90	93	108	102	94	92	109	110
07-10	87	98	95	105	87	97	108	102
11-14	94	101	105	87	95	107	107	88
15-18	114	80	83	97	115	83	119	97
19-22	92	102	109	115	105	107	93	111
23-26	119	83	110	106	118	86	88	108
27-30	99	106	98	116	99	133	94	110
31-34	112	---	--	---	115	---	--	---



Table I. - (Con't.)

Per cent	May				June			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
160				137x				
150								
140								
130			x					
120	x	x	x	x	x			
110	x x x	x x	x	x x x	x	x x	x x	x
100	x x x x	x x	x x x x	x x x x	x x x x	x x x x	x x x x	x x x x
90	x x x	x x x	x x x	x x x	x x x	x x x	x x x	x x x
80		x x	x	x		x	x	
70								
60								
50								
Ave.	107	102	106	109	104	101	102	102

Table I. - (Con't.)

Years	May				June			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
1860-								
1862	---	114	129	92	---	112	86	93
63-66	96	81	92	130	95	104	93	88
67-70	116	122	101	102	106	117	103	118
71-74	106	91	110	109	105	86	104	114
75-78	99	100	126	113	94	102	116	100
79-82	98	107	94	107	102	93	96	112
83-86	108	113	103	100	108	106	102	99
87-90	113	92	98	106	120	88	92	99
91-94	106	105	106	101	100	107	96	103
95-98	128	93	87	187	126	92	84	121
99-02	107	92	100	96	105	119	103	96
03-06	96	95	104	113	102	95	109	106
07-10	106	101	117	100	105	102	121	96
11-14	97	107	106	90	95	105	105	89
15-18	114	82	135	97	103	76	121	97
19-22	101	121	108	115	90	110	105	103
23-26	104	88	105	104	99	98	103	101
27-30	109	130	90	113	108	109	92	108
31-34	116	---	---	---	115	---	---	---



Table I. - (Con't.)

Per cent	July				August			
	Pre- election	Election	Post- election	Mid- election	Pre- election	Election	Post- election	Mid- election
160								
150								
140								
130		x						
120						x		
110		x	x x	x	x		x	x
100	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x
90	x x x	x x x	x x x	x x x	x x x	x x x	x x x	x x x
80	x x x	x x x	x x x	x x x	x x x	x x x	x x x	x x x
70				x	x			x
60								
50								
Ave.	98	101	101	100	97	98	102	99

Table I. - (Con't.)

Years	July				August			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
1860-								
1862	---	108	85	102	---	89	92	113
63-66	93	135	90	74	87	127	103	104
67-70	81	89	117	120	95	104	123	117
71-74	100	100	101	113	87	91	105	93
75-78	110	93	112	98	119	86	89	102
79-82	99	87	102	112	85	82	115	90
83-86	98	100	103	100	98	98	101	100
87-90	90	88	95	100	89	96	89	115
91-94	93	98	92	98	111	98	89	95
95-98	112	85	91	89	108	86	115	76
99-02	100	111	96	100	100	103	103	96
03-06	100	101	109	101	107	108	105	93
07-10	107	118	106	108	105	113	103	105
11-14	100	102	93	98	105	97	92	115
15-18	106	101	117	103	90	106	117	103
19-22	97	105	106	107	93	101	93	89
23-26	87	107	89	92	96	105	98	92
27-30	105	89	108	89	101	86	106	88
31-34	85	---	---	--	74	--	---	--



Table I. - (Con't.)

Per cent	September				October			
	Pre- election	Election	Post- election	Mid- election	Pre- election	Election	Post- election	Mid- election
160		x			196 x			
150								
140								
130				x		x		x
120		x		x	x	x	x	
110	x	x	x	x	x	x	x	x
100	x	x	x	x	x	x	x	x
90	x	x	x	x	x	x	x	x
80	x	x	x	x	x	x	x	x
70				x		x		x
60								
50								
Ave.	98	103	98	99	105	100	96	96

Table I. - (Con't.)

Years	September				October			
	Pre-election	Election	Post-election	Mid-election	Pre-election	Election	Post-election	Mid-election
1860-								
1862	---	91	94	105	---	89	97	113
63-66	95	125	109	131	106	105	107	139
67-70	97	93	110	106	103	78	91	114
71-74	93	97	94	89	102	90	89	82
75-78	111	99	88	90	109	107	86	83
79-82	101	86	117	99	196	92	120	80
83-86	95	94	99	97	91	88	103	95
87-90	91	168	93	112	91	120	92	110
91-94	98	91	97	93	97	91	93	88
95-98	97	96	115	69	95	111	111	73
99-02	100	107	95	120	100	104	96	96
03-06	111	110	86	99	105	110	84	88
07-10	112	99	87	98	122	98	92	96
11-14	103	94	93	120	107	97	94	106
15-18	83	111	90	101	83	131	86	98
19-22	101	98	99	88	103	84	89	88
23-26	101	104	93	91	99	110	92	92
27-30	95	93	101	89	95	95	99	85
31-34	82	--	---	--	85	--	--	--



Table I. - (Con't.)

Per cent	November				December			
	Pre- election	Election	Post- election	Mid- election	Pre- election	Election	Post- election	Mid- election
160								
150								
140								
130								
120								
110								
100								
90								
80								
70								
60								
50								
Ave.	99	99	93	94	99	99	94	97

Table I. - (Con't.)

Years	November				Pre-election	December		
	Pre-election	Election	Post-election	Mid-election		Election	Post-election	Mid-election
1860-1862	---	83	90	100	---	80	88	108
63-66	105	117	99	139	109	101	81	136
67-70	96	68	79	87	79	69	77	114
71-74	103	86	86	81	99	91	96	82
75-78	106	108	84	84	96	115	85	86
79-82	116	101	110	78	128	100	108	78
83-86	94	88	103	97	94	89	101	101
87-90	97	117	92	108	101	108	90	99
91-94	95	89	87	95	92	89	90	97
95-98	91	129	114	71	94	127	122	71
99-02	96	100	99	97	93	101	107	98
03-06	102	108	84	88	103	107	82	89
07-10	97	100	91	92	112	100	97	93
11-14	103	94	94	106	101	96	95	118
15-18	79	129	86	101	89	123	86	107
19-22	116	79	79	98	126	73	82	93
23-26	95	110	94	90	94	130	101	88
27-30	95	83	96	78	92	89	101	80
31-34	99	--	--	--	86	--	---	--



# APPENDIX II.

114

Table II. - Wheat Prices by Months for Pre, Tenth, Post and Mid-year in Per Cent of Mid-year Average.

Per cent	January				February			
	Year before	Tenth Year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
250								
240								
230								
220								
210						x		
200	x	x	x		x		x	
190								
180								
170			x				x	
160		x				x		
150							x	
140			x					
130		x						
120			x			x	x	
110	x x	x x		x x	x x			x x x
100				x		x		x
90	x x			x	x x			x
80			x				x	
70								
Ave	111	139	135	105	109	141	141	105



Table II. - (Con't.)

Year	January				February			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
1887	111				110			
1888		110				105		
1889			142				150	
1893				108				105
1897	96				92			
1898		131				128		
1899			90				89	
1903				94				96
1908	99				97			
1909		109				120		
1910			123				124	
1913				111				109
1916	110				109			
1917		161				161		
1918			173				173	
1923				102				108
1927	205				203			
1928		201				212		
1929			198				202	
1931				115				109



Table II.- (Con't.)

Per cent	March				April			
	Year before	Tenth year	Year after	Mid- year	Year before	Tenth year	Year after	Mid- year
						29.5 X		
250								
240						X		
230		X						
220								
210								
200								
190	X				X			
180			X					
170			X				XX	
160		X						
150								
140			X			X		
130						X	X	
120		X						X
110	X			XX	X	X	X	X
100	X	X		X	X			XX
90	X			X	X		X	X
80								
Ave	109	146	137	105	111	173	135	105

Table II. - (Con't.)

Year	March				Year	April			
	Year before	Tenth year	Year after	Mid-year		Year before	Tenth year	Year after	Mid-year
1887	111				117				
1888		105				114			
1889			146					137	
1893				111					122
1897	91				93				
1898		127				147			
1899			89					92	
1903				91					94
1908	105				104				
1909		122				139			
1910			121					117	
1913				105					107
1916	97				101				
1917		168				240			
1918			173					173	
1923				109					108
1927	197				196				
1928		234				295			
1929			182					174	
1931				112					115



Table II. - (Con't.)

Per cent	May				June			
	Year before	Tenth year	Year after	Mid- year	Year before	Tenth year	Year after	Mid- year
250		x x						
240						x x		
230								
220								
210	x				x			
200								
190								
180								
170			x				x x	
160			x					
150						x		
140						x		
130					x			
120	x	x						
110			x	x		x	x	x
100	x			x x	x			x x x
90	x		x	x	x		x	x
80					x			
70								
Ave	124	194	132	108	117	169	128	106



Table II. - (Con't.)

Year	May				June			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
1887	124				132			
1888		125				119		
1889			121				114	
1893				105				96
1897	90				87			
1898		220				143		
1899			95				94	
1903				96				102
1908	108				109			
1909		150				155		
1910			115				111	
1913				106				105
1916	99				93			
1917		272				244		
1918			173				173	
1923				104				99
1927	216				213			
1928		286				240		
1929			166				170	
1931				117				115



Table II. - (Con't.)

Per cent	July				August			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
250								
240								
230		x				x		
220								
210	*							
200			x		*			
190		x					x	
180			x				x	
170								
160								
150								
140								
130		x				x		
120	x	x	x		x	x		x
110	x						x	
100		x						x
90	x			x	x			x
80			x	x		x	x	x
70								x
Ave	142	148	130	94	122	144	132	93



Table II. - (Con't.)

Year	July				August			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
1887	99				97			
1888		119				130		
1889			118				110	
1893				92				89
1897	94				119			
1898		105				89		
1899			89				89	
1903				100				107
1908	115				120			
1909		136				132		
1910			125				122	
1913				93				92
1916	120				129			
1917		236				236		
1918			183				184	
1923				87				96
1927	210				200			
1928		197				190		
1929			200				196	
1931				85				74



Table II. - (Con't.)

Per cent	September				October			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
250								
240								
230		x						
220								
210						x		
200		x						
190	x		x		x		x	
180		x	x					
170						x	x	
160						x		
150					x			
140								
130	x							
120								
110	x	x	x	x	x	x	x	x
100	x				x			x
90	x			x	x			x
80		x	x	x		x	x	x
70								
Ave	125	151	127	95	130	142	120	92



Table II. - (Con't.)

Year	September				Year	October			
	Year before	Tenth year	Year after	Mid-year		Year before	Tenth year	Year after	Mid-year
1887	100				100				
1888		229				164			
1889			115					114	
1893				97					93
1897	119				115				
1898		81				86			
1899			89					89	
1903				111					105
1908	106				105				
1909		112				118			
1910			119					111	
1913				93					94
1916	135				159				
1917		181				173			
1918			180					174	
1923				99					99
1927	189				189				
1928		205				210			
1929			187					183	
1931				82					86



Table II. - (Cont'.)

Per cent	November				December			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
250								
240								
230								
220								
210								
200								
190						x		
180	x						x	
180		x	x		x		x	
170		x				x		
160								
160		x						
150	x							
150					x			
140						x		
130								
130								
120					x	x		
120								
110	x	x	x					
110					x		x	
100	x x		x	x	x		x	x
100				x				
90				x x				x x
90								x
80		x	x	x		x	x	x
80								
70								
Ave	132	135	117	92	132	133	120	91

Table II. - (Con't.)

Year	November				December			
	Year before	Tenth year	Year after	Mid-year	Year before	Tenth year	Year after	Mid-year
1887	107				111			
1888		160				147		
1889			114				111	
1893				87				90
1897	118				126			
1898		83				83		
1899			86				83	
1903				102				103
1908	107				107			
1909		117				124		
1910			106				107	
1913				94				95
1916	157				150			
1917		173				173		
1918			180				191	
1923				95				94
1927	189				183			
1928		182				196		
1929			178				188	
1931				99				86



Table III. - Wheat Production. U.S.D.A. Year Book  
Pages 577-586. (000's omitted).

U.S. Pro- duction			U.S. Pro- duction		
World pro- duction			World pro- duction		
Year	Wheat bushel	Wheat bushel	Year	Wheat bushel	Wheat bushel
1866	152	----	1900	602	2,210
1867	212	----	1901	788	2,472
68	224	----	02	724	2,510
69	260	----	03	663	2,651
70	235	----	04	596	2,478
71	230	----	05	726	2,673
72	249	----	06	756	2,950
73	281	----	07	637	2,619
74	308	----	08	644	2,544
75	292	----	09	700	2,819
76	289	----	10	635	2,717
77	364	----	11	621	3,043
78	420	----	12	730	3,093
79	499	----	13	763	3,098
80	498	----	14	891	2,834
81	383	----	15	1,025	3,497
82	504	----	16	636	2,734
83	421	----	17	636	2,574
84	512	----	18	921	2,911
85	357	----	19	967	2,821
86	457	----	20	833	2,948
87	456	----	21	814	3,169
88	415	----	22	867	3,225
89	434	----	23	797	3,551
90	378	1,879	24	864	3,150
91	584	1,989	25	676	3,441
92	527	2,053	26	831	3,426
93	427	2,076	27	878	3,661
94	516	2,128	28	914	3,943
95	569	2,126	29	812	3,415
96	544	2,057	30	858	3,562
97	610	1,893	31	892	3,821
98	772	2,553	32	---	-----
99	636	2,319	--	---	-----

Table IV. - Wheat Prices - Chicago - By Five Day  
Periods - November - (May Future).

Year	1-5	5-10	10-15	15-20	20-25	25-30
1877	----	----	----	----	----	----
78	----	----	----	----	----	----
79	----	----	----	----	----	----
1880	----	----	----	----	----	----
81	----	----	----	----	----	----
82	----	----	----	----	----	----
83	1.05	1.07	1.05	1.05	1.05	1.07
84	----	----	----	----	----	----
85	.96	.96	.98	.98	.96	.94
86	.82	.82	.81	.82	.82	.84
87	.79	.79	.81	.83	.83	.84
88	1.20	1.18	1.15	1.15	1.12	1.11
89	.84	.84	.85	.85	.85	.85
90	1.09	1.07	1.05	1.01	1.01	1.03
91	1.02	1.04	1.03	1.00	1.02	1.00
92	.78	.79	.80	.78	.80	.79
93	.71	.70	.69	.69	.68	.69
94	.59	.60	.61	.61	.59	.60
95	.63	.63	.62	.62	.60	.61
96	.83	.85	.85	.83	.80	.85
97	.94	.92	.91	.90	.91	.93
98	.68	.67	.66	.66	.67	.66
99	.73	.73	.71	.71	.71	.71
1900	.78	.78	.76	.76	.75	.74
01	.74	.76	.76	.76	.76	.77
02	.74	.74	.75	.77	.77	.77
03	.79	.78	.77	.78	.79	.81
04	1.12	1.13	1.14	1.12	1.11	1.09
05	.91	.90	.88	.89	.87	.88
06	.79	.78	.79	.79	.79	.78
07	1.04	1.03	1.04	1.04	1.02	1.04
08	1.04	1.07	1.08	1.09	1.08	1.08
09	1.04	1.03	1.05	1.06	1.06	1.07
10	.96	.96	.97	.98	.98	.96



Table IV. - Wheat Prices - (Con't.)

Year	1-5	6-10	11-15	16-20	21-25	26-
1911	1.02	1.00	1.00	1.01	1.01	1.00
12	.96	.95	.95	.92	.91	.91
13	.90	.91	.91	.92	.91	.91
14	1.24	1.24	1.23	1.22	1.22	1.20
15	1.06	1.06	1.07	1.08	1.07	1.08
16	1.87	1.95	1.95	1.94	1.90	1.84
17	----	----	----	----	----	----
18	----	----	----	----	----	----
19	----	----	----	----	----	----
20	----	----	----	----	----	----
21	1.12	1.10	1.14	1.12	1.16	1.18
22	1.14	1.16	1.17	1.18	1.17	1.17
23	1.12	1.11	1.09	1.08	1.09	1.08
24	1.52	1.60	1.62	1.61	1.64	1.63
25	1.47	1.45	1.50	1.55	1.59	1.64
26	1.46	1.47	1.44	1.40	1.40	1.39
27	1.31	1.33	1.35	1.35	1.36	1.35
28	1.25	1.23	1.25	1.24	1.25	1.24
29	1.40	1.33	1.31	1.35	1.36	1.40
30	.83	.81	.77	.76	.81	.82
31	.72	.73	.68	.67	.63	.58
32						
1877 High	18	6	6	5	2	7
1877 Low	6	8	3	3	8	16

Table V. — Wheat Prices - Average High and Low - Chicago.

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.	Year average price
1860	.98	.97	1.01	1.04	1.06	1.04	1.00	.83	.85	.83	.77	.74	.93
1861	.76	.75	.77	.86	.94	.63	.62	.67	.69	.71	.66	.64	.73
1862	.66	.72	.73	.72	.71	.72	.79	.87	.81	.87	.77	.83	.77
1863	.96	1.08	1.08	1.03	.95	.94	.92	.86	.94	1.05	1.04	1.08	.99
1864	1.11	1.11	1.10	1.19	1.22	1.56	2.02	1.91	1.87	1.58	1.76	1.52	1.50
1865	1.40	1.25	1.16	1.03	1.05	1.06	1.03	1.17	1.24	1.22	1.13	.92	1.14
1866	.87	.84	.91	.96	1.77	1.19	1.00	1.41	1.78	1.89	1.89	1.85	1.36
1867	1.95	1.90	2.04	1.93	2.14	1.96	1.49	1.75	1.79	1.90	1.76	1.46	1.84
1868	1.63	2.01	1.95	1.96	2.02	1.92	1.47	1.72	1.54	1.29	1.12	1.14	1.65
1869	1.14	1.16	1.13	1.07	1.13	1.16	1.31	1.38	1.23	1.02	.89	.86	1.12
1870	.79	.81	.58	.80	.95	1.10	1.12	1.09	.99	1.06	.81	1.06	.93
1871	1.14	1.24	1.24	1.29	1.27	1.26	1.20	1.04	1.11	1.22	1.23	1.19	1.20
1872	1.23	1.24	1.21	1.25	1.48	1.45	1.25	1.37	1.21	1.13	1.07	1.14	1.25
1873	1.23	1.23	1.20	1.19	1.29	1.22	1.18	1.22	1.10	1.04	1.01	1.12	1.17
1874	1.22	1.19	1.19	1.24	1.23	1.20	1.14	1.02	.97	.89	.88	.90	1.09
1875	.89	.85	.91	1.00	1.01	.96	1.12	1.21	1.13	1.11	1.08	.98	1.02
1876	.99	1.02	1.07	1.02	1.03	1.05	.96	.89	1.02	1.10	1.11	1.19	1.03
1877	1.28	1.29	1.25	1.43	1.62	1.48	1.42	1.14	1.13	1.10	1.08	1.09	1.28

Source - Wallace's Agricultural Prices.



Table V. — (Con't.) - Wheat Prices - (Monthly High) - Chicago.

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Year average price
1878	1.06	1.05	1.08	1.10	1.10	.97	.95	.99	.87	.81	.82	.83	.97
1879	.87	.94	.96	.91	1.03	1.07	1.04	.89	1.06	1.22	1.22	1.34	1.05
1880	1.33	1.25	1.26	1.15	1.19	1.03	.97	.90	.96	1.02	1.12	1.11	1.11
1881	1.00	1.00	1.04	1.06	1.13	1.15	1.22	1.38	1.41	1.44	1.32	1.30	1.20
1882	1.35	1.32	1.36	1.42	1.29	1.36	1.36	1.09	1.08	.97	.95	.95	1.21
1883	1.04	1.12	1.10	1.15	1.14	1.14	1.03	1.03	1.00	.96	.99	.99	1.05
1884	.96	.96	.72	.95	.96	.90	.85	.83	.80	.75	.75	.76	.85
1885	.82	.80	.80	.92	.91	.90	.91	.89	.87	.91	.91	.89	.88
1886	.85	.82	.81	.81	.79	.78	.79	.79	.77	.75	.77	.80	.79
1887	.80	.79	.80	.84	.89	.95	.71	.70	.72	.72	.77	.80	.79
1888	.79	.76	.76	.82	.90	.86	.86	.94	1.65	1.18	1.15	1.06	.98
1889	1.02	1.08	1.05	.99	.87	.82	.85	.79	.83	.82	.82	.80	.89
1890	.78	.77	.81	.90	1.00	.93	.94	1.00	1.05	1.03	1.02	.93	.94
1891	.96	.98	1.04	1.13	1.08	1.02	.95	1.13	1.00	.99	.97	.94	1.02
1892	.91	.92	.90	.86	.86	.88	.80	.80	.75	.75	.73	.73	.82
1893	.78	.76	.80	.88	.76	.69	.66	.64	.70	.67	.63	.65	.72
1894	.63	.61	.60	.64	.60	.61	.58	.56	.55	.52	.56	.57	.59
1895	.55	.52	.56	.64	.82	.81	.72	.69	.62	.61	.58	.60	.64
1896	.69	.71	.71	.71	.68	.67	.62	.63	.70	.81	.94	.93	.73
1897	.81	.77	.76	.78	.76	.73	.79	1.00	1.00	.97	.99	1.06	.87
1898	1.10	1.08	1.07	1.24	1.85	1.20	.88	.75	.68	.72	.70	.70	.99
1899	.76	.75	.75	.77	.80	.79	.75	.75	.75	.75	.72	.70	.75
1900	.67	.68	.67	.68	.68	.88	.82	.76	.79	.77	.74	.75	.74
1901	.76	.75	.76	.75	.75	.77	.72	.77	.71	.72	.74	.80	.75
1902	.81	.77	.76	.77	.76	.76	.79	.76	.95	.76	.77	.78	.79
1903	.79	.81	.76	.79	.81	.86	.84	.90	.93	.88	.86	.87	.84
1904	.94	1.10	1.03	1.02	1.06	1.06	1.12	1.20	1.22	1.22	1.20	1.19	1.11

Source - Chicago Board of Trade

Table V. -- (Con't.) - Wheat Prices - (Monthly High) - Chicago.

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.	Year average price
1905	1.21	1.24	1.19	1.20	1.14	1.20	1.20	1.15	.95	.92	.92	.90	1.10
1906	.90	.87	.86	.92	.95	.89	.85	.78	.79	.74	.74	.75	.84
1907	.76	.87	.87	.87	1.06	1.05	1.07	1.05	1.12	1.22	.97	1.12	1.00
1908	1.02	1.00	1.08	1.07	1.11	1.12	1.19	1.24	1.09	1.08	1.10	1.10	1.10
1909	1.12	1.24	1.26	1.42	1.54	1.60	1.40	1.36	1.15	1.22	1.21	1.28	1.32
1910	1.27	1.28	1.25	1.21	1.19	1.14	1.29	1.26	1.17	1.14	1.09	1.10	1.19
1911	1.12	1.07	1.02	1.04	1.06	1.03	1.09	1.15	1.12	1.17	1.12	1.10	1.09
1912	1.14	1.15	1.15	1.22	1.22	1.20	1.16	1.11	1.07	1.11	1.07	1.10	1.14
1913	1.15	1.12	1.08	1.10	1.09	1.08	.96	.95	.96	.97	.97	.98	1.03
1914	.99	.98	.97	.98	1.00	.99	1.09	1.27	1.33	1.18	1.18	1.31	1.11
1915	1.54	1.68	1.65	1.66	1.65	1.49	1.54	1.31	1.20	1.21	1.15	1.29	1.45
1916	1.40	1.38	1.23	1.28	1.26	1.18	1.52	1.64	1.72	2.02	2.00	1.90	1.54
1917	2.05	2.05	2.13	3.04	3.45	3.10	3.00	3.00	2.30	2.20	2.20	2.20	2.56
1918	2.20	2.20	2.20	2.20	2.20	2.20	2.32	2.34	2.29	2.21	2.29	2.42	2.26
1919	2.45	2.36	2.57	2.92	2.80	2.51	2.70	2.58	2.82	2.88	3.22	3.50	2.78
1920	3.50	2.78	2.90	3.05	3.45	3.13	3.00	2.86	2.80	2.39	2.24	2.08	2.85
1921	2.07	2.03	1.84	1.58	1.82	1.78	1.80	1.57	1.68	1.50	1.34	1.38	1.69
1922	1.40	1.55	1.72	1.67	1.73	1.55	1.60	1.33	1.32	1.32	1.47	1.40	1.50
1923	1.30	1.37	1.38	1.37	1.32	1.26	1.11	1.22	1.28	1.26	1.21	1.20	1.27
1924	1.25	1.30	1.22	1.27	1.30	1.46	1.57	1.55	1.53	1.62	1.62	1.91	1.47
1925	2.04	2.16	2.08	1.66	1.98	1.93	1.68	1.85	1.75	1.72	1.76	1.90	1.88
1926	1.92	1.94	1.75	1.79	1.72	1.67	1.52	1.52	1.51	1.52	1.48	1.46	1.65
1927	1.50	1.48	1.44	1.43	1.58	1.56	1.53	1.46	1.38	1.38	1.38	1.34	1.45
1928	1.47	1.55	1.71	2.15	2.09	1.75	1.44	1.39	1.50	1.53	1.33	1.43	1.61
1929	1.45	1.48	1.33	1.27	1.21	1.24	1.46	1.43	1.37	1.34	1.30	1.37	1.35
1930	1.30	1.25	1.20	1.13	1.16	1.11	.92	.91	.92	.88	.81	.83	1.03
1931	.84	.80	.82	.84	.85	.84	.62	.54	.60	.63	.72	.63	.73

Source - Chicago Board of Trade